



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 928 069 508
Organisasjonsform: Aksjeselskap
Foretaksnavn: XAIT HOLDING AS
Forretningsadresse: Kanalsletta 4
4033 STAVANGER

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: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Frank Skavland
Dato for fastsettelse av årsregnskapet: 30.06.2023

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, 13.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	8	712 902	
Sum kostnader		712 902	
Driftsresultat		-712 902	
Finansinntekter og finanskostnader			
Other financial income		72	
Sum finansinntekter		72	
Other financial expenses		1 966	90
Sum finanskostnader		1 966	90
Netto finans		-1 894	-90
Ordinært resultat før skattekostnad		-714 796	-90
Tax on ordinary result	11	0	0
Ordinært resultat etter skattekostnad		-714 796	-90
Årsresultat	12	-714 796	-90



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	18	66 601 831	0
Lån til foretak i samme konsern	19	49 762 779	0
Sum finansielle anleggsmidler		116 364 610	0
Sum anleggsmidler		116 364 610	0
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Cash and bank deposits		1 465	39 340
Sum bankinnskudd, kontanter og lignende		1 465	39 340
Sum omløpsmidler		1 465	39 340
SUM EIENDELER		116 366 075	39 340
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		2 326 810	30 000
Share premium		113 293 216	9 340
Sum innskutt egenkapital		115 620 026	39 340
Sum egenkapital	12	115 620 026	39 340
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			



Balanse

Beløp i: NOK	Note	2022	2021
Leverandørgjeld		711 049	0
Other short term liabilities		35 000	0
Sum kortsiktig gjeld		746 049	0
Sum gjeld		746 049	0
SUM EGENKAPITAL OG GJELD		116 366 075	39 340



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue	2	138 237 035	86 370 205
Other income	3	3 734 384	3 504 420
Sum inntekter		141 971 419	89 874 625
Kostnader			
Cost of sales		9 519 500	0
Personnel costs	4	81 840 631	46 194 292
Depreciation and amortization	5,6,7	44 413 244	21 391 225
Other operating expenses	8	46 256 536	28 056 551
Sum kostnader		182 029 911	95 642 068
Driftsresultat		-40 058 492	-5 767 443
Finansinntekter og finanskostnader			
Other interest income		83 038	223
Other financial income		12 303 188	2 004 964
Sum finansinntekter		12 386 226	2 005 187
Other interest expenses	9	10 444 489	1 149 368
Other financial expenses		1 127 637	42 830
Sum finanskostnader		11 572 126	1 192 198
Netto finans		814 100	812 989
Ordinært resultat før skattekostnad		-39 244 392	-4 954 454
Tax on ordinary result	11	-6 668 729	-2 496 760
Ordinært resultat etter skattekostnad		-32 575 663	-2 457 694
Årsresultat	12	-32 575 663	-2 457 694



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Research and development	5	87 998 100	72 566 001
Customer relations	5	55 628 869	
Utsatt skattefordel	11	7 751 226	2 679 009
Goodwill	5	40 569 179	0
Sum immaterielle eiendeler		191 947 374	75 245 010
Varige driftsmidler			
Property, plant and equipment	6	7 966 097	9 705 553
Sum varige driftsmidler		7 966 097	9 705 553
Sum anleggsmidler		199 913 471	84 950 563
Omløpsmidler			
Varer			
Fordringer			
Account receivable	13	50 010 367	24 251 733
Other receivable	3	12 218 764	8 214 704
Sum fordringer		62 229 131	32 466 437
Bankinnskudd, kontanter og lignende			
Cash and bank deposits	14	22 531 738	117 570 405
Sum bankinnskudd, kontanter og lignende		22 531 738	117 570 405
Sum omløpsmidler		84 760 869	150 036 842
SUM EIENDELER		284 674 340	234 987 405

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Share capital	15	2 326 810	2 217 590
Share premium		113 293 216	43 476 245
Annen innskutt egenkapital			1 344 895
Sum innskutt egenkapital		115 620 026	47 038 730
Opptjent egenkapital			
Other equity		-95 215 468	-13 331 297
Sum opptjent egenkapital		-95 215 468	-13 331 297
Sum egenkapital	12	20 404 558	33 707 433
Gjeld			
Langsiktig gjeld			
Utsatt skatt	11	18 179 328	0
Deferred government grants	3	13 009 277	11 155 617
Lease liabilities	7	6 666 264	8 349 149
Liabilities to financial institutions	9	109 914 726	109 572 924
Other provisions		0	616 565
Sum avsetninger for forpliktelser		147 769 595	129 694 255
Annen langsiktig gjeld			
Sum langsiktig gjeld		147 769 595	129 694 255
Kortsiktig gjeld			
Advance payments from customers	16	76 796 507	46 018 942
Leverandørgjeld		6 684 476	5 225 599
Tax payable	11	543 676	
Public taxes payable		21 543 638	6 168 466
Other short term liabilities	17	10 931 890	14 172 710
Sum kortsiktig gjeld		116 500 187	71 585 717
Sum gjeld		264 269 782	201 279 972
SUM EGENKAPITAL OG GJELD		284 674 340	234 987 405



XAIT Holding AS

Income statement 2022

Parent company			Consolidated		
2022	2021	Note	Note	2022	2021
Operating income and expenses					
0	0		2	138 237 035	86 370 205
0	0		3	3 734 384	3 504 420
<u>0</u>	<u>0</u>			<u>141 971 419</u>	<u>89 874 625</u>
0	0			9 519 500	0
0	0		4	81 840 631	46 194 292
0	0		5,6,7	44 413 244	21 391 225
712 902	0	8	8	46 256 536	28 056 551
<u>712 902</u>	<u>0</u>			<u>182 029 911</u>	<u>95 642 068</u>
<u>-712 902</u>	<u>0</u>			<u>-40 058 492</u>	<u>-5 767 443</u>
Financial income and expenses					
0	0			83 037	223
72	0			12 303 188	2 004 964
0	0		9	-10 444 489	-1 149 368
-1 966	-90			-1 127 637	-42 830
<u>-1 894</u>	<u>-90</u>			<u>814 100</u>	<u>812 989</u>
<u>-714 796</u>	<u>-90</u>			<u>-39 244 392</u>	<u>-4 954 454</u>
0	0	11	11	-6 668 729	-2 496 760
<u>-714 796</u>	<u>-90</u>			<u>-32 575 663</u>	<u>-2 457 694</u>
Brought forward					
-714 796	-90	12	12	-32 575 663	-2 457 694
<u>-714 796</u>	<u>-90</u>			<u>-32 575 663</u>	<u>-2 457 694</u>



XAIT Holding AS

Balance sheet 31.12.2022

Assets

Parent company			Consolidated		
2022	2021	Note	Note	2022	2021
Fixed assets					
Intangible fixed assets					
0	0		5	87 998 100	72 566 001
0	0		5	55 628 869	0
0	0		11	7 751 226	2 679 009
0	0		5	40 569 179	0
<u>0</u>	<u>0</u>			<u>191 947 374</u>	<u>75 245 010</u>
Tangible fixed assets					
0	0		6	7 966 097	9 705 553
<u>0</u>	<u>0</u>			<u>7 966 097</u>	<u>9 705 553</u>
Financial fixed assets					
66 601 831	0	18		0	0
49 762 779	0	19		0	0
<u>116 364 610</u>	<u>0</u>			<u>0</u>	<u>0</u>
<u>116 364 610</u>	<u>0</u>			<u>199 913 471</u>	<u>84 950 563</u>
Current assets					
0	0		13	50 010 367	24 251 733
0	0		3	12 218 764	8 214 703
<u>0</u>	<u>0</u>			<u>62 229 131</u>	<u>32 466 436</u>
<u>1 465</u>	<u>39 340</u>		14	<u>22 531 738</u>	<u>117 570 405</u>
<u>1 465</u>	<u>39 340</u>			<u>84 760 869</u>	<u>150 036 841</u>
<u>116 366 075</u>	<u>39 340</u>			<u>284 674 340</u>	<u>234 987 405</u>



XAIT Holding AS

Balance sheet 31.12.2022

Equity and liabilities

Parent company			Consolidated		
2022	2021	Note	Note	2022	2021
Equity					
2 326 810	30 000		15	2 326 810	2 217 590
113 293 216	9 340			113 293 216	43 476 245
0	0			0	1 344 895
115 620 026	39 340			115 620 027	47 038 730
Retained earnings					
0	0			-95 215 468	-13 331 297
0	0			-95 215 468	-13 331 297
115 620 026	39 340	12	12	20 404 559	33 707 433
Liabilities					
Current liabilities					
0	0		3	13 009 277	11 155 617
0	0		7	6 666 264	8 349 149
0	0		9	109 914 726	109 572 924
0	0		11	18 179 328	0
0	0			0	616 565
0	0			147 769 595	129 694 255
Current liabilities					
711 048	0			6 684 476	5 225 599
0	0		16	76 796 507	46 018 942
0	0		11	543 676	0
0	0			21 543 637	6 168 466
35 000	0		17	10 931 890	14 172 710
746 048	0			116 500 186	71 585 717
746 048	0			264 269 781	201 279 972
116 366 075	39 340			284 674 340	234 987 405

Stavanger, 23.06.2023

Arnt Jørund Andreassen
Board member

Berit Lid Scharff
Board member

Eivind Bergsmyr
Director of the Board

Bjarne Johnson
Board member

Erik Fjellvær Hagen
Board member

Eirik Gudmundsen
Managing Director / CEO



XAIT Holding AS

Cash flow statement

Parent company			Consolidated		
2022	2021	Note	Note	2022	2021
-714 796	-90	12	12	-39 244 392	-4 954 444
0	0			0	-4 570 913
0	0		5,6,7	44 433 804	21 391 225
0	0		9	4 201 843	0
0	0		13	-25 758 634	-2 528 579
711 048	0			1 458 877	2 560 769
35 000	0			16 321 437	23 294 020
31 252	-90			1 412 935	35 192 078
0	0		5,6	-21 731 146	-43 129 842
-23 007 728	0	12		0	0
0	0			-87 335 232	0
0	0			-3 430 982	0
-23 007 728	0			-112 497 360	-43 129 842
0	0		9	0	111 658 666
0	0			-743 514	-2 494 603
0	0		7	-1 682 885	-469 239
22 938 600	39 430	12	12	22 936 200	3 800 720
22 938 600	39 430			20 509 801	112 495 544
-37 876	39 340			-90 574 624	104 557 780
0	0			-4 464 043	0
39 340	0			117 570 405	13 012 625
1 464	39 340			22 531 738	117 570 405



Note 1 – General accounting policies

Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway (NGAAP). The financial statements have been prepared under the assumption of going concern.

The group's functional currency is NOK. Thus, all amounts are presented in NOK, unless otherwise clearly stated.

Group composition

In addition to the parent entity, Xait Holding AS, the group also includes the subsidiary Xait AS, which has a controlling interest in Xait Ltd, Xait Inc, XaitCPQ AS and Xait France SAS. The consolidated financial statements show these units as one single economic entity. Xait Holding AS was established 05.11.2021. In 2021, Xait AS started a process to reorganise its ownership structure. The general assembly of Xait AS approved the transfer of 94,2 % of the shares from existing shareholders to Xait Holding AS 23.12.2021. The formal registration of the transfer was completed 18.01.2022. After the reorganisation was finalised, the ownership structure in Xait Holding AS will remain the same as in Xait AS before the reorganisation. The restructuring transaction is considered as a common control transaction under NGAAP and post restructuring the net assets and operations are a continuation of the existing group.

Basis for consolidation

The Group's consolidated financial statements comprise Xait Holding AS and subsidiaries, as well as the companies Xait Holding AS has a controlling interest in. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Transactions between group companies have been eliminated in the consolidated financial statements. The consolidated financial statements have been prepared in accordance with the same accounting principles for both parent and subsidiary. The purchase method is applied when accounting for business combinations.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, income, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Comparable financial information

Comparable financial statement data for the consolidated group is from Xait AS's group financial statements for 2021. For 2022, Xait Holding AS is the group's new ultimate parent company. The ownership structure etc., is the same as Xait AS in 2021.

Balance sheet classification

Current assets and short-term liabilities consist of receivables and payables due within one year. Other balance sheet items are classified as fixed assets/long-term liabilities. Unless otherwise stated, long-term liabilities also include next year's installments. Current assets are valued at the lower of cost and fair value. Short-term liabilities are recognised at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long-term liabilities are recognised at nominal value.

Cash flow statement

The cashflow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, high liquid investments with maturities of three months or less.



Note 2 – Revenues

Significant accounting policies

Revenue from the sale of goods are recognised in the income statement once delivery has taken place, and most of the risk and return has been transferred.

Software as a service (SaaS) is a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted. Application platform as a service (aPaaS) is a cloud service that offers development and deployment environments for application services.

Revenue from the sale of services on projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenues equal to project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss. SaaS and aPaaS revenue is invoiced mainly annually. The total invoiced amount is distributed evenly over the entire period.

The Group's primary revenue source is Software as a Service revenue ("SaaS") coming from its software products XaitPorter, Xait CPQ and Xait Proposal. Service revenue is primarily related to training, software configuration and template work performed for the Xait SaaS clients.

Sales split by segment	2022	2021
SaaS	125 035 398	78 189 958
Consulting	11 611 911	5 397 817
aPaaS	1 589 726	2 284 050
Other	-	498 380
Sum	138 237 035	86 370 205

Sales by country	2022	2021
Norway	33 727 072	27 542 081
United States	34 668 466	27 037 802
France	35 271 179	7 027 722
United Kingdom	14 942 041	13 077 191
Switzerland	3 827 783	3 686 765
United Arab Emirates	3 158 716	3 236 656
Netherlands	2 598 856	1 807 387
Austria	1 486 048	1 416 467
Iraq	222 562	1 493 212
Others	8 334 311	44 922
Sum	138 237 035	86 370 205



Note 3 – Government grants

Significant accounting policies

Xait AS has received government grants for their research and development activities in 2022. The company has received grants related to SkatteFUNN and Research Council of Norway ("Norsk Forskningsråd"). Xait AS has applied the gross method for accounting. Government grants are recognized as other revenue in the income statement in line with the amortisation of the connected intangible assets. Intangible assets are amortized over a period of 5 years. Earned grants not recognised are presented as deferred government grants. The difference between earned grants and received payout of grants is presented as short-term receivables. As of 31.12.2022 there was short term receivable related to government grants of NOK 2 030 286. Deferred government grants as of 31.12.2022 are as follows:

	2022	2021
SkatteFUNN*	6 197 443	6 382 285
Norges Forskningsråd	5 443 813	4 773 333
Research Tax credit	1 368 021	0
Sum	13 009 277	11 155 618

* **Maskinlæring 100.20** Using AI in the proposal process to increase the efficiency of writing and managing the documents.

* **Applikasjonsplattform 100.10.17**

Intelligent automation of software services across cloud platforms: Develop a leading set of standardised infrastructure automations and application orchestrations with autonomy in scaling, self-healing, disaster tolerance and with support for modern machine learning workloads, to be applied across private and public cloud deployments.

Research Council of Norway project

The company has been granted a research and development subsidy of maximum 10 800 000 NOK for a total cost of 27 000 000 NOK related to this project. The subsidy will cover 40 % of expected project costs, with a maximum cap on cost each year. The project is called Enhancing quality and efficiency in the RFP to Product ion Lifecycle and aims to develop technology to facilitate the usage of Machine Learning algorithms in the writing of business proposals, making the process more efficient and producing higher quality outputs. The project period is from 2020 until 2023.

Reserach tax credit

The subsidiary of Xait Holding AS - Xait France SAS recieves a tax refund from the French government on costs related to development efforts that represents an innovation compared to what already exists. The tax credit represents 30% of the project costs, and the projects costs include salaries and some fixed structural costs. The initiatives included in the 2022 tax credit submission are redesigning the outline, web proposal, back office and file management.



Note 4 – Personnel costs

Wages	2022	2021
Wages	73 678 759	48 120 288
Social security costs	10 796 631	5 131 727
Defined contribution schemes (Pension)	5 056 236	2 259 985
Capitalized wage costs	-7 975 702	-11 087 553
Other benefits	284 708	1 769 845
Sum	81 840 631	46 194 292

Average numbers of employees	90	58
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Compensation of key management personell	Salary	Other remuneration
Managing Director / CEO	1 575 000	1 870 000
Board of Directors	500 000	

The CEO receives his salary from Xait AS. The salary consists of fixed salary and profit dependent salary. The profit dependant salary is based on organic growth in ARR and structural ARR growth. Bonus paid in 2022 amounts to NOK 1 870 000.

Pension

The company has established a defined contribution scheme in accordance with the requirements of the Norwegian Act of Mandatory Occupational Pensions (OTP). All employees of the entity are covered by the scheme.

Employee option plan

During 2019 an employee option plan was granted the employees. The employee option plan is designed to provide long-term incentives for employees to deliver long-term shareholder returns. Under the plan, participants are granted options which vest based on a period of three years. All vested options must be exercised before 01.10.2024. When exercisable, each option is convertible into one ordinary share.

The exercise price of options is set based on a strike price (Option price). Options are accounted for at the time an employee is granted an option from the employer. The option is expensed as salary with an amount corresponding to fair value over the vesting period. The options have settlement in shares, and is booked as change in other paid-in equity. The fair value of options granted is recognised as a personell expense, with a corresponding increase in equity over the vesting period. The assessed fair value at grant date of options is independently determined using an adjusted form of the Black-Scholes model, that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

Fair value employee options	
Fair value per option at grant date	94
Number of options	17 749
Total fair value per option at grant date	1 668 147
Fair value of options at grant date as of 01.01.2022	1 251 110
Value 2022	417 037
Value of options at grant date as of 31.12.2022	1 668 147

As of 31.12.2022 all option rights has been fully vested. No options has been exercised during 2022.

The CEO/ Managing Director Eirik Gudmundsen has an option agreement that entitles him 7 987 options that can be converted into 7 987 shares.



Note 5 – Intangible assets, research and development

Significant accounting policies

Expenditures on research and development are capitalized to the extent that they are part of projects generating identifiable intangible assets, of which future economic benefits can be attributed. Expenses related to projects not meeting these criterias are charged to the income statement as they accrue.

Specification of research and development assets

	Goodwill	Customer relationships	R&D	Sum
Cost 01.01.	0	0	139 651 203	139 651 203
Additions	41 111 624	58 798 583	40 867 510	140 777 717
Currency effects	1 973 133	2 770 523	874 252	5 617 908
Cost 31.12.	43 084 757	61 569 106	181 392 965	286 046 828
Accumulated depreciation 01.01.	0	0	-63 649 882	-63 649 882
Depreciation of the year	-4 153 379	-5 940 237	-29 744 983	-39 838 599
Accumulated depreciation 31.12.	-4 153 379	-5 940 237	-93 394 865	-99 335 102
Carrying amount at 31.12.	38 931 378	55 628 869	87 998 100	143 626 969
Depreciation method	Linear	Linear	Linear	
Depreciation period	10 years	10 years	3-5 years	

For further information related to purchase price allocation, please refer to note disclosure 10.

Note 6 – Property, plant & equipment

Significant accounting policies

Property, plant and equipment are recognized in the statement of financial position at cost less accumulated depreciation and impairment losses. The cost price of such assets is the purchase price including expenses directly attributable to the purchase of the asset. Expenses incurred after the asset has been put into use, such as ongoing daily maintenance, are charged to the income statement in the period in which they were incurred, except for expenses expected to generate future economic benefits that are recognized as a part of the asset.

Specification of property, plant & equipment	Sum
Cost 01.01.	25 440 600
Additions	378 867
Disposals	-2 118 114
Cost 31.12.	23 701 353
Accumulated depreciation 01.01.	-13 278 725
Depreciation of the year	-4 574 645
Disposals	2 118 114
Accumulated depreciation 31.12.	-15 735 256
Carrying amount at 31.12.	7 966 097
Depreciation method	Linear
Depreciation period	3-10 years



Note 7 - Financial lease

Significant accounting policies

Leased assets are reflected in the balance sheet as assets if the leasing contract is considered a financial lease. Financial costs are calculated according to the present value method. The contractual obligation is recorded as a liability. Parts of the assets presented as property, plant and equipment above are financed through financial lease agreements. Below is a summary of the leasing agreements that is included in the overview over the intangible assets.

	Data equipment/ server equipment
Cost at 01.01.	8 721 486
Cost at 31.12.	8 721 486
Accumulated depreciation at 01.01	-290 716
Depreciation for the year	-1 776 295
Accumulated depreciation at 31.12	-2 067 011
Carrying amount at 31.12.	6 654 475
Depreciation method	Linear
Depreciation period	5 year

The financial lease related to the Parent company's lease of data and server equipment in two server rooms. An incremental borrowing rate of 3,08 % has been applied to estimate the lease liability.

Remaining estimated payments for financial lease agreements	1 year	2-5 year	Total
Undiscounted lease liabilities	1 876 956	5 630 869	7 507 825
Discounted lease liabilities	1 523 824	5 138 440	6 662 264
Expenses related to lease agreement defined as operational:			Yearly expense
Office lease			5 149 542
Total			5 149 542



Note 8 – Auditor

Specification of audit fee - The parent company

Remuneration to the auditor	2022	2021
Audit fee	30 119	0
Fees for other assurance engagements	0	0
Total	30 119	0

Specification of audit fee - The Group

Remuneration to the auditor	2022	2021
Audit fee	716 424	326 149
Fees for other assurance engagements	110 513	0
Total	826 937	326 149

In addition to the above table 793 kNOK has been deemed part of the transaction price for Jack in the Box SAS and hence classified as investment in shares.

Note 9 – Borrowings

Significant accounting policies

Borrowings are classified as long-term liabilities to the extent that the Group has an unconditional right to defer the final settlement of the liability for at least twelve months after the reporting date. According to the loan agreement, there are no installments to be paid until 2026. Thus, next year's payments are not presented separately. An amount of 3,2mNOK of loan transaction costs are net against the withdrawn amount in the balance sheet and will be periodised through the loan period.

Covenants

In 2021 Xait AS signed a new loan frame agreement of up to SEK 750 million to finance the purchase of Jack in the Box in France. Xait AS has to meet the agreed ratio of total debt to pro forma annual recurring revenue (ARR) and hold a minimum liquidity to be compliant with the loan covenants. Xait AS needs to hold 15mNOK available on a bank account, but can draw up to 10mNOK on their credit facilities. Both liquidity covenants need to be violated for there to be a violation of covenants.

The collateral of the loan to Ture Invest AB is the following shares of the subsidiaries of Xait AS:

XaitCPQ AS	30 000
Xait France SAS	1 859 778
Xait Ltd	9 493 499
Total book value as of 31.12.2022	11 383 277

	2022	2021
Debt to credit institutions	109 914 726	109 572 924
Sum	109 914 726	109 572 924

Changes are related to PIK interest, foregin exchange effects and additional transaction costs in 2022.



Note 10 – Business combinations

The group purchased the shares of Jack in the Box SAS in 2022. Jack in the Box develops and offers proposal management software to assist clients with with document management, review and workflow solutions. The price of the aquisition was 10 125 900 EUR. The shares was purchased by Xait France SAS. The aquisition was closed 3 January 2022. The result for entire 2022 is reflected in the consolidated financial statement. The profit before tax amounts to 4 509 163 NOK.

Identifiable assets and liabilities with aquisition:	EUR	NOK
Current assets	1 684 488	16 847 070
Cash and cash equivalents	1 393 512	13 936 932
Software	2 548 000	25 483 312
Customer relationships	5 879 000	58 798 583
Deferred tax	-1 978 000	-19 782 571
Other non-current assets	38 000	380 049
Other liabilities	-3 495 000	-35 502 836
Net identified assets and liabilities	6 070 000	60 160 539
Total consideration	10 125 900	101 272 164
Excess value	4 055 900	41 111 624

Excess value is presented as goodwill in the consolidated financial statement.

Note 11 – Income tax

Significant accounting policies

The income tax expense in the income statement includes the tax payable for the period and changes in deferred tax. Tax payable and deferred tax is calculated using tax rates and tax legislation that have been enacted at the end of the reporting period. Deferred tax is calculated on all temporary differences between tax base and amount recognised in the statement of financial position. In addition, deferred tax is also calculated on tax loss carryforward at the end of the reporting period.

Basis for recognition of deferred tax asset

Deferred tax is only recognised to the extent that it is probable that future taxable income will be generated against which it can be utilized. Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset them. The parent company has not recognised deferred tax asset in the balance sheet.

The parent company

Taxable income:	2022	2021	
Ordinary result before tax	-714 796	0	
Permanent differences	0	-5 560	
Taxable income	-714 796	-5 560	
Temporary differences	2022	2021	Difference
Accumulated loss to be brought forward	-720 356	-5 560	714 796
Not included in the deferred tax calculation	720 356	5 560	-714 796
Basis for deferred tax assets	0	0	0
Deferred tax assets (22%)	0	0	0



The Group

This year's tax expense	2022	2021
Payable tax	-543 676	-213 011
Tax credit received related to government grants	1 259 841	0
Changes in deferred tax assets	-5 072 217	-2 283 749
Changes in deferred tax	-2 312 677	0
Tax expense on ordinary profit/loss	-6 668 729	-2 496 760
Payable tax in the balance:		
Payable tax on this year's result	-543 676	0
Total payable tax in the balance	-543 676	0

Payable tax related to Jack in the Box SAS.

Temporary differences	2022	2021	Difference
Tangible assets	470 436	-1 154 158	-1 624 594
Excess values	82 633 309	0	-82 633 309
Lease agreements brought to the balance	-11 789	49 573	61 362
Other temporary differences	-16 517 855	-10 852 010	5 665 845
Total	66 574 101	-11 956 595	-78 530 696
Accumulated loss to be brought forward	-61 213 711	-41 983 714	19 229 997
Not included in the deferred tax calculation	42 040 073	41 762 995	-277 078
Basis for deferred tax assets / deferred tax	47 400 463	-12 177 314	-59 577 777
Deferred tax assets (22%)	7 751 226	2 679 009	-5 072 217
Deferred tax (22 %)	-18 179 328	0	18 179 328

Deferred tax is related to temporary differences related to excess values (PPA allocation) from acquisition of Jack in the Box SAS. Please refer to note disclosure 10 for further information. Deferred tax asset and deferred tax liability is presented gross in the consolidated financial statement.

3.7 mUSD in accumulated losses to be brought forward related to Xait Inc.



Note 12 – Equity

The parent company

	Share capital	Share premium	Total equity
As of 31.12.2021	30 000	9 340	39 340
Capital decrease 18.01.2022*	-30 000	0	-30 000
Contribution in kind 18.01.2022*	2 090 040	64 514 191	66 604 231
Capital injection by cash injection 01.02.2022	109 220	22 826 980	22 936 200
Contribution in kind 21.04.2022*	127 550	26 657 500	26 785 050
Profit for period	0	-714 796	-714 796
As of 31.12.2022	2 326 810	113 293 215	115 620 026

* Capital decrease, capital increases and mergers is due to reorganization of Xait Holding group, where Xait Holding AS was established as new parent company for the group.

The Group

	Share capital	Share premium	Other paid up equity	Other capital	Total equity
As of 31.12.2021	2 217 590	43 476 245	1 344 895	-13 331 297	33 707 433
Capital increase	109 220	22 826 980	0	0	22 936 200
Share option	0	0	417 038	0	417 038
Reclassification	0	0	-1 761 933	1 761 933	0
Reorganisation	0	46 989 991	0	-46 989 991	0
Translation diff.	0	0	0	-4 080 449	-4 080 449
Profit for period	0	0	0	-32 575 663	-32 575 663
As of 31.12.2022	2 326 810	113 293 216	0	-95 215 468	20 404 559

Note 13 – Trade and other receivables

Significant accounting policies

Trade and other receivables are recognised at face value, less provisions for expected credit losses. Provisions for expected credit losses are made on the basis of a specific assessment of the individual receivables.

Specification of trade receivables

	2022	2021
Account receivable at face value	50 010 367	24 251 733
Total	50 010 367	24 251 733

There is no accrual for write-down for expected losses on receivables in 2022.

Note 14 – Restricted bank deposits

Significant accounting policies

Bank deposits, cash and cash equivalents includes all cash, bank deposits and other liquid investments that can be immediately converted into cash, with negligible exchange rate risk. To the extent that overdraft facilities are used, the amount drawn is presented as current liabilities to credit institutions in the statement of financial position.

	2022	2021
Restricted bank deposits	0	1 309 873
Total	0	1 309 873

In 2022 the company obtained a tax guarantee amounting to NOK 3 000 000, in order to meet regulatory requirements related to withholding tax. Thus, no restricted bank deposits as of 31.12.2022.



Note 15 – Share capital and shareholder information

	Total shares	Face value	Sum
Ordinary shares	232 681	10	2 326 810
Total number of shares	232 681	10	2 326 810

Significant shareholders as of 31.12.2022	Shares	Ownership
Viking Venture 10 AS	92 586	39,8 %
Viking Venture 10B AS	45 510	19,6 %
Row Invest AS	21 348	9,2 %
Viking Venture 10C AS	19 587	8,4 %
Stave Holding AS	10 112	4,3 %
Pikovaia Dama	8 090	3,5 %
BD Trading AS	8 030	3,5 %
Kjellaug Jorunn Hedberg	5 922	2,5 %
L'Alpha	2 783	1,2 %
Kevin Geraghty	2 644	1,1 %
Leif Kjetil Skjæveland	2 500	1,1 %
Lie-Bjelland Invest AS	2 329	1,0 %
Others	11 240	4,8 %
Total number of shares	232 681	100,0 %

The leader of the board, Eivind Bergsmyr owns a small percentage of 0,8% shares indirectly through ownership in Viking Venture. Board member Erik Fjellvær Hagen owns a small percentage of 1,0% shares indirectly through ownership in Viking Venture. Board member Arnt Jørund Andreassen owns 100% of Stave Holding and owns 4,3% of the shares in the Parent company. Board member Berit Lid owns 50% of Onyvamos AS and owns 0,1% of the shares in the Parent company. CEO Eirik Gudmundsen owns through Gudmundsen AS 0,9% of the shares in the Parent company. Board member Bjarne Johnsen owns through Starholmen AS 0,1 % of the shares in the Parent company.

Note 16 – Advances from customers

As of 31.12.2022, advances from customers are NOK 76 796 507 (NOK 46 018 942 in 2021). The group invoices in advance of software licenses. As the licenses is paid up front, amounts are accrued and recognised as revenue over time (12 month period).

Note 17 – Provisions and other short-term liabilities

Significant accounting policies

Other short-term liabilities are mainly related to services received or wages to employees, for which payment is due within the next twelve months. These liabilities are measured at nominal amounts.

	2022	2021
Due salary/holiday pay	4 094 678	3 017 658
Other accrued cost	2 815 495	3 416 892
Allocation of board fees	0	300 000
Deposit bonus	4 021 720	6 294 172
Provision for other liabilities	0	1 143 989
Total	10 931 890	14 172 711



Note 18 – Investment in subsidiaries

The Parent company

Company	Office	Ownership	Booked value 31.12
Xait AS	Norway	100 %	66 601 831
Sum investments			66 601 831

Xait AS holds the investment in subsidiaries XaitCPQ AS, Xait Ltd, Xait Inc and Xait France SaaS. Xait France SaaS holds the investment in newly acquired Jack in the Box SaaS.

Note 19 – Balances with group companies

The Parent company

Long-term receivables	2022	2021
Xait AS	49 762 779	0
Sum investments	49 762 779	0



Board of Directors report for Xait Holding AS

Xait was founded in 2000 and is a global software technology company providing enterprise customers with software for document co-authoring, automation, collaboration, and intelligent pricing. Xait's mission is to help their clients win business by supporting their sales enablement efforts from quote to contract. The Xait Group is headquartered in Stavanger, Norway and has personnel in the UK, the US, and France. We also have hired R&D resources in Cyprus and India.

In Xait we say that we help companies win more business. We have many different, but complementary, software systems in the "Sales enablement" space as listed below:

XaitPorter is our optimal tool for the creation of the most complex bids and proposals.

XaitCPQ helps companies build and price complex combinations of products and services.

XaitProposal is a guided proposal creation tool that allows you to create quick and easy proposals.

XaitRFI is a software that allows for an easy and convenient response of RFIs, RFPs, etc.

XaitWebProposal guides you through the creation of custom mini-websites for your proposals

In addition to our main products, we have several modules and features, such as the newly released **XaitAI** that assists companies with analyzing text and suggesting relevant content for more rapid and accurate proposal responses.

Xait Holding AS is the holding company of Xait AS, the operational company. There are no other operations in the holding company beyond that which is in Xait AS. Xait AS is owned 100% by Xait Holding AS.

Financial highlights of 2022

2022 was a very hectic year. We closed the acquisition of Jack in the Box in France in early January and a lot of time has been spent to ensure a good integration of the French operations. On top of that, we started the process of establishing a skilled R&D team in Pune, India.

Total ARR growth was 20% in 2022. XaitPorter, our flagship product, saw 18% ARR growth, whilst XaitCPQ, our smallest product, grew 55%. XaitProposal/XaitRFI, our newly acquired products, had 18% ARR growth. We are most pleased with our all-time low churn of 2% (excl. structural churn) and strong Net Revenue Retention of 111% (excl. structural churn). The fact that we hardly lose clients and that they keep buying more from us is a strong testament to our products.

There are no operations in the Xait Holding AS mother company and therefore very few transactions. As for the consolidated income statement, total income grew c. 58% to NOK 142 million in 2022. Most of this growth is attributed to the acquisition of Jack In The Box SAS, which had full year revenue effect. The consolidated operating loss (EBIT) was NOK 40.1 million - a big change from 2021 when the loss was NOK 5.6 million. Earnings before interest, tax, depreciation and amortization (EBITDA) was 4.3 million in 2022 versus NOK 15.6 million in 2021. There is no operational reason for this drop in profitability, the reality is the opposite. The change in EBITDA is mainly driven by increased M&A related costs, higher employee stock option

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compensations benefits, and reduced capitalized costs on government tax refund projects (Skattefunn). When we consider capitalized costs and one-off adjustments (Adjusted EBITDAC), the nominal loss was NOK 11.3 million, as opposed to NOK 11.8 the year before. From a margin perspective, this means that profitability is increasing from an adjusted EBITDAC margin of -14.0% in 2021 to -8.2% in 2022. Focus on profitability in SaaS businesses (Rule of 40) has also had its impact on Xait, and going in to 2023, the profitability improvement path is expected to continue.

There is a great difference between EBIT and Net cash flow from operating activities. This relates primarily to depreciation and amortization with no cash effects and other changes to working capital. We had a lot of cash on the balance sheet at the end of December 2021. This was the Ture loan meant to pay for the Jack In The Box acquisition that closed January 2022. Now that the acquisition is complete, these current assets have turned into fixed assets, primarily Research and Development, Customer Relationships and Goodwill. Goodwill is set equal to the residual between the purchase price and the net recognized value of assets and liabilities. Net cash flow from investment activities and net cash flow from financing activities have been reflected accordingly. We consider cash flow from operations, as before, sufficient to finance traditional investments in R&D. Any other large investments or acquisitions will have to be made by new financing or equity from owners.

The market is getting gradually more open to use alternative digital tools to make their sales processes more effective. It is difficult to make accurate financial projections, but we expect growth across all products and regions in 2023 also. As we saw during the pandemic, Xait can be affected by macro-economic trends and events. The long-term effects from the war in Ukraine and other current macro uncertainties, such as the weak Norwegian Krone and high inflation, could potentially also affect the growth rate and/or profitability in the Xait Group.

Going concern

The board of directors are satisfied with the developments throughout 2022 and views the future potential of the company as very attractive. The basis for going concern exists and the annual accounts for 2022 have been prepared based on this assumption.

Research and development activities

Xait is heavily engaged in R&D activities. These entail continuous development of all our products. Our ultimate ambition is to be a thought leader in the sales enablement space, and for this reason we continue to develop new features and modules that will help our customers win more business.

Recently, we launched our new XaitAI module. XaitAI is a closed-system AI trained to understand, suggest and assess based on your business data. With the use of XaitAI we want to make the process of understanding and writing complex bids and proposals even more effective than it is today.

Financial risks

Xait is exposed to a range of financial risks, in particular currency risk. Now, we do not see the need to make use of any financial instruments to hedge this risk, but this will always be under evaluation as the business grows and develops.

Currency risk - Xait is exposed to foreign exchange rate fluctuations as many of our contracts are in USD, EUR and GBP. Most clients pay for our software services 12 months forward. Upon renewal, if there have been major fluctuations in the exchange rates, this could potentially affect the financial results of Xait. We do also have

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costs in the various currencies and consider this natural hedge to be sufficient for Xait for the time being. As before mentioned, the Norwegian Krone has over the last few months seen a significant drop in value. If the value of the Krone continues in this way, it will have an impact on the profit & loss statement of Xait.

Interest rate risk - Xait is exposed to interest rate risk. The Ture SEK loan is affected by changes in the financial benchmark STIBOR. Interest rates globally have gone up a lot throughout 2022, and so has STIBOR. Xait is financially equipped to handle these changes, but remain vigilant in case the interest rate spike continues.

Liquidity risk - Xait is exposed to liquidity risk. This can be short term due to major changes in working capital, or long term if Xait was to suffer big losses in ARR. As the company is in a growth phase, we invest heavily in growth related costs that will pay off over a period in the future. If we must preserve cash/liquidity, one option is to cut spending in such growth-related costs and investments. As the company becomes rule of 40 compliant, i.e. more profitable, the liquidity risk will become less of a concern.

Financial risk - Xait is exposed to financial risk. However, no substantial changes in the valuation of assets are expected to occur because of the existing market conditions. Despite some market uncertainties, Xait has a healthy growth, internationally as well as in Norway.

Credit risk - Xait is exposed to credit risk. Historically, we have not experienced any problems with payments from our customers. Most of our clients are large and solid institutions, without any significant credit risk.

Work environment

The work environment is very good. We do employee surveys every second month, and the results are strong. As of December 2022, the employee satisfaction rate was 3.9 out of 5.0. We will continue to monitor the development to ensure that appropriate actions are taken. No serious injuries occurred in 2022. In 2022, the sick leave in the Xait Group was 1.6%.

Equal opportunities

Our employees consist of both men and women from a broad range of nationalities. The Xait Group employees are 32% female, and the Board of Directors consists of 4 men and 1 woman. The management team consists of 6 men and 2 women. Though we consider our gender balance to be adequate, we do always strive to better the gender balance on the team. For the current year, Xait is planning a study mapping out any potential differences in salaries and other benefits between men and female. The results from this study will be made public in an anonymous format on our website and/or the Board of Directors report for 2023.

Environmental report

Xait is committed to respecting human rights and labor rights standards, preserve the climate and the environment, combat corruption, and uphold good governance standards. This applies to the development of the Company's products and services, consulting and sales, as well as investment decisions. The same requirements apply to the Company's suppliers.

Our purpose at Xait is to create a more sustainable society by supporting our clients in digitalizing their operations, thereby improving energy efficiency, innovation, profitability and reducing the environmental

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footprint.

In 2022, Xait established an ESG sustainability policy approved by the board in Xait AS. Information about this policy and future ESG reports is published on the Xait website.

Transparency Act

Employees of the company and business partners must comply with the requirements set out in the Transparency Act, and thus work to govern the supply chain according to decent working conditions and human rights. Our guidelines on the Transparency Act will be published on our website by June 30, 2023.

Board responsibility

Xait has a Directors and Officers insurance with a NOK 25 million limit of indemnity.

06/23/2023

Signature:

Eivind Bergsmyr

Erik Fjellvær Hagen

Arnt J. Andreassen

Berit Lid Scharff

Bjarne Johnson



Skatteetaten

Vår dato 26.04.2023 Din/Deres dato 29.03.2023 Saksbehandler Lars Waalorp

800 80 000 Din/Deres referanse AR544613493 Telefon 90833418

Org.nr 974761076 Vår referanse 2023/5170522 Postadresse Postboks 9200 Grønland 0134 OSLO

XAIT HOLDING AS
Kanalsletta 4
4033 STAVANGER

Att. Frank Skavland

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Xait Holding AS, org.nr. 928 069 508

Vi viser til deres brev innkommet 29. mars 2023 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Xait Holding AS.

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

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

Bakgrunn

Xait Holding AS har private og profesjonelle eiere, både norske og utenlandske. Selskapet er et globalt software-teknologiselskap. Selskapet er morselskap i et konsern med datterselskaper i USA, Storbritannia og Frankrike, og har planer om å vokse gjennom oppkjøp. En del av vekstambisjonene er å tiltrekke seg ytterligere internasjonale kunder. Arbeidsspråket i konsernet er engelsk og norsk.

Skattekontorets vurdering

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

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

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i



samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet har private og profesjonelle eiere, både norske og utenlandske og er morselskap i et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



To the General Meeting of Xait Holding AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Xait Holding AS, which comprise:

- the financial statements of the parent company Xait Holding AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow 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 Xait Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement 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 and its cash flows 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 and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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

The Board of Directors and the Managing Director (management) are 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

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



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.

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

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

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 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 use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Stavanger, 23 June 2023
PricewaterhouseCoopers AS

Roy Henrik Heggelund
State Authorised Public Accountant
(This document is signed electronically)



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Auditor's report

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