

Arribatec.

\ Quarterly report . Q4 - 2021

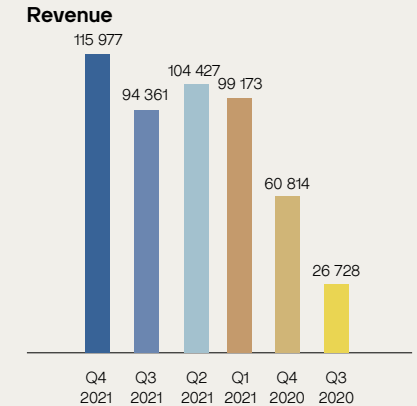


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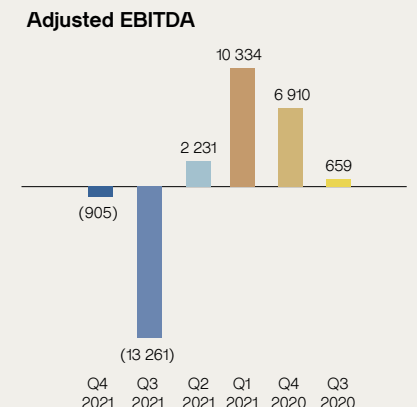
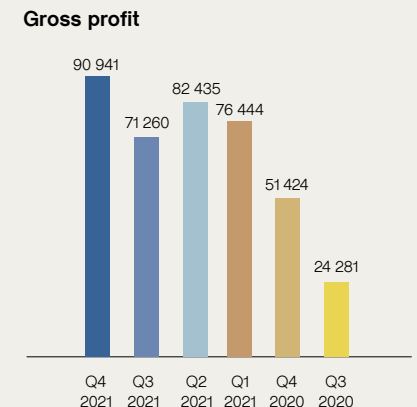
Highlights

Arribatec Group delivers a total revenue of NOK 116.0m for the fourth quarter of 2021, a growth of 91% compared to the same quarter last year of NOK 60.8m. The Group reports an EBITDA for the quarter of NOK -4.5m, which is 48.7m above the previous year, and an adjusted EBITDA of -0.9m. While Arribatec has navigated the COVID epidemic without any significant impact on our operation, we did during fourth quarter experience an increase in COVID related absence. This has to some extent impacted our consulting activities. Recognized Recurring Revenue (RR) increased by NOK 24.1m compared to the same period last year, to NOK 36.9m for the fourth quarter of 2021. The cash balance at the end of the quarter was NOK 43.8m.



Key consolidated figures and ratios

		Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Full year 2021	Full year 2020
Revenue	TNOK	115 977	94 361	104 427	99 173	60 814	26 728	413 938	154 024
Gross profit	TNOK	90 941	71 260	82 435	76 444	51 424	24 281	321 079	136 415
EBITDA	TNOK	(4 535)	(13 893)	1 783	9 845	(53 226)	659	(6 800)	(45 259)
Adjusted EBITDA	TNOK	(905)	(13 261)	2 231	10 334	6 910	659	(1 601)	14 877
Operating profit/(loss), EBIT	TNOK	(24 622)	(21 969)	(6 215)	3 036	(56 665)	(1 011)	(49 770)	(52 499)
Net profit/(loss)	TNOK	(22 804)	(19 655)	(7 088)	606	(57 992)	(1 247)	(48 942)	(55 620)
Revenue growth y/y for the quarter/full year	%	90.7 %	253.0 %	240.9 %	176.7 %	na	na	168.7 %	35.5 %
Gross profit margin	%	78.4 %	75.5 %	78.9 %	77.1 %	84.6 %	90.8 %	77.6 %	88.6 %
EBITDA margin	%	(3.9 %)	(14.7 %)	1.7 %	9.9 %	(87.5 %)	2.5 %	(1.6 %)	(29.4 %)
Adjusted EBITDA margin	%	(0.8 %)	(14.1 %)	2.1 %	10.4 %	11.4 %	2.5 %	(0.4 %)	9.7 %
Earnings per share	NOK	(0.04)	(0.04)	(0.02)	0.00	(0.19)	(0.01)	(0.10)	(0.18)
Cash at end of period	TNOK	43 758	56 111	78 586	91 525	188 270	14 585	43 758	188 270
Equity	TNOK	316 423	328 523	349 266	356 874	316 214	25 066	316 423	316 214
Equity ratio	%	57.3 %	65.5 %	67.3 %	68.0 %	76.9 %	24.7 %	57.3 %	76.9 %
Price per share at end of reporting period	NOK	1.180	1.486	1.708	1.830	2.040	2.136	1.180	2.040
FTEs	Number	373	349	311	290	171	118	373	171
No. of outstanding shares, beg. of period	Number	584 903 064	455 112 929	440 112 929	418 583 331	89 908 757	89 908 757	418 583 331	16 077 403
New shares issued	Number	0	129 790 135	15 000 000	21 529 598	328 674 574	0	166 319 733	402 505 928
No. of outstanding shares, end of period	Number	584 903 064	584 903 064	455 112 929	440 112 929	418 583 331	89 908 757	584 903 064	418 583 331
Average number of shares	Number	584 903 064	473 926 431	449 508 533	408 112 328	305 239 615	89 908 757	489 277 730	305 239 615



Operation, sales & outlook .

During Q4, the Group continued the ongoing work to streamline the internal work processes and enhance production systems to increase efficiency and reduce unit cost over time. Additionally, the global sales organization is adjusting the sales process to ensure the Group takes full advantage of all cross-selling opportunities that now are apparent between all acquired companies and the existing Arribatec organization.

Business Services (BizS)

Within Business Services we have in the Nordics and the rest of the world seen robust results in services and utilization for Q4 2021 and considerable growth compared to Q4 in 2020. In terms of geographical expansion, we have established our APAC operation, headquartered in Singapore, and have started working on several locally based opportunities. We continue to grow our French operation, where we have again won, together with our strategic partner Unit4, a substantial amount of both implementation services and SaaS business.

Within the fourth quarter, our latest acquisition, Integra, has been integrated into the Arribatec Group, merging our existing UK subsidiary and Integra into a single business and incorporating the Integra sales and delivery teams within the global Business Services organization. This alignment has increased our delivery capacity and further optimized the collaboration between the different regions.

The main trends we continue to see during the last quarter are a further increased demand for platform solutions that cover the end-to-end process and a single vendor taking responsibility for the complete end-to-end solution. These trends continue to align very well with our overall strategy of complementing our core ERP offering with value-added services/products and effectively delivering these as a single/unified solution to our customers.

Going forward, we expect to continue the growth in services, and license/recurring revenue deals, as our investments in operational improvements and sales capacity start to yield results and increase our effectiveness and hit rate.

Enterprise Architecture & Business Process Management (EA-BPM)

Business Area EA-BPM continued to grow during the fourth quarter. The 12 new hires that came on board during the third quarter were all fully deployed on projects during the fourth quarter, partly due to a new and improved onboarding program. Revenue has continued to improve from quarter to quarter during 2021 due to a very robust demand for enterprise architecture and business process management. We expect to recruit an additional 25-30 new consultants and technical staff for BA EA-BPM during 2022 as a response to the increase in demand.

We are getting consistently positive reviews from our existing customers, such as Statens Vegvesen, Tolletaten, DNB, Norcounslut, Vår Energi, Aker BP, Gassco, GKN Aerospace (Sweden), OMV AG (Austria). They have been clients during 2021, and we expect to continue and expand our engagement with them in 2022. We further wish to roll out the EA-BPM services outside Norway in 2022.

Cloud (Cloud)

During Q4, the focus has been on new customer deliveries and the internal merging of all Arribatec companies onto a common IT platform with unified Customer Support. Additionally, BA Cloud has continued the preparations for the upcoming ISO27001 certification. The Cloud activities continue to grow, and several new employees joined during the fourth quarter to help deliver modern cloud services, customer support, and DevOps projects.

Over the last three quarters of 2021, Arribatec has implemented 25 ERP customers on Arribatec's Private Cloud. We experience an excellent market for IT security and DevOps services, which we, in large part, are delivering to the FinTech industry in particular.

Marine (Marine)

During the last quarter of 2021, BA Marine has seen a significant increase in the sales pipeline. The shipping market is growing but has not reached the pre-pandemic levels yet, and the growth rate differs among the shipping segments. While the cruise segment is showing a somewhat slower growth compared to the rest of the shipping space, one of the top cruise shipping companies has signed orders for the deployment of two modules, Asset- and Hotel Defect,

to three additional vessels, while expressing intentions for significant additional orders for the provision of BA Marine's Asset HD and Performance solutions.

As BA Marine continues focusing on the LNG sector, the Company successfully rolled out its Performance solution to 28 vessels to one of the major operators within the LNG segment, laying the foundation for the extension of the solution to additional 35+ ships in the fleet.

Hospitality (Hspt)

In the fourth quarter, BA Hospitality delivered the first Self-check-in solution outside of Norway. This is part of Hospitality's expansion plan, intending to be present in five countries at the end of 2022.

BA Hospitality and Best Western Nordic have entered into a partnership agreement whereby the hotel guests can access and earn loyalty points in the Best Western Rewards program when checking in using the Arribatec digital solution. This arrangement is important for the Nordic expansion plan for Hospitality. It comes due to the successful installation of the check-in solution in key Best Western hotels in Norway and Sweden. "The integration with Best Western Reward increases the customer experience and driving customers use of the Reward solution, one of the strategic tools for Best Western to bring customers back to their hotels".

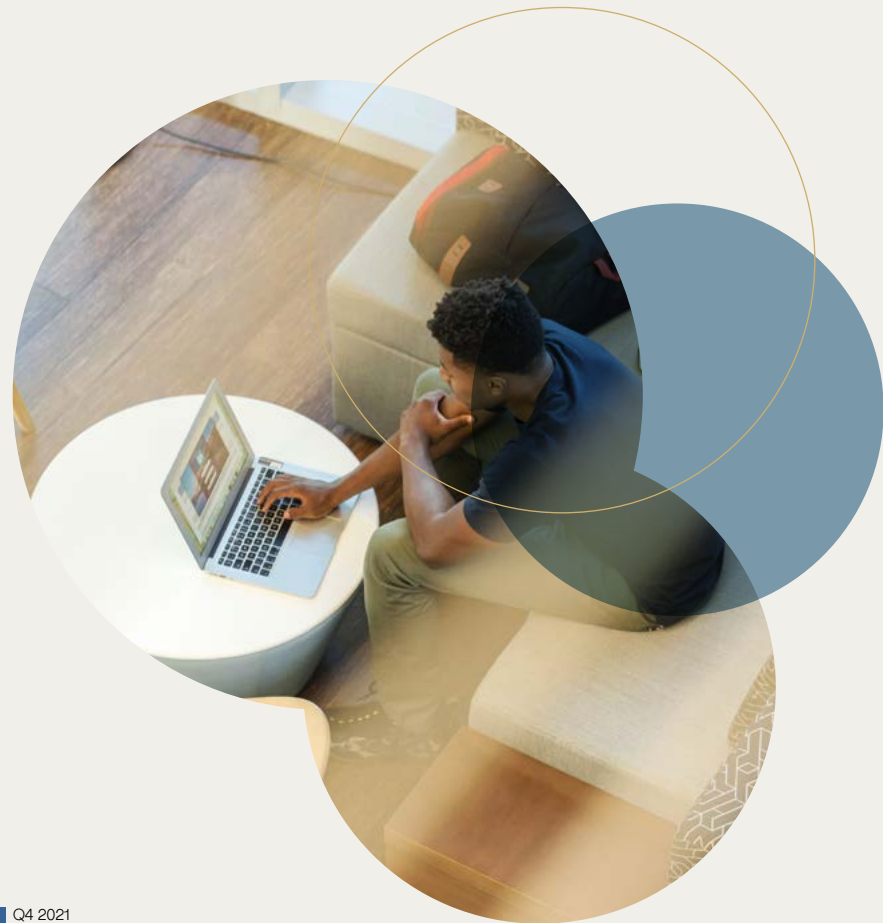
In Q4, BA Hospitality finalised a new integration with Hoist DLS (door lock system). This integration will open a new big market across Europe. The first customer that will utilize this integration is Sure Hotel Harstad Narvik Airport in Q1 2022. During Q4, BA Hospitality has signed multiple customers on the same door lock system - ready for delivery primo 2022.



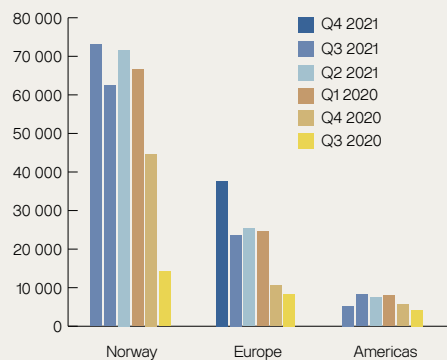
Revenue

Arribatec Group's Q4 Y/Y revenue growth was 91% and was at the end of Q4 reported at NOK 116.0m. Recurring revenue (RR) accounted for NOK 36.9m or 32% of total revenue, where Region Norway delivered 87% of the total. Compared to the same quarter last year, RR increased by NOK 24.1m. Consulting services accounted for NOK 78.3m of the total revenue, where Region Norway had NOK 39.3m, Europe NOK 34.2m, and Americas NOK 4.9m.

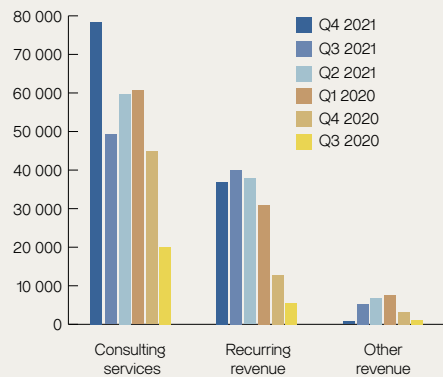
For the full year of 2021, Arribatec Group had total revenue of NOK 413.9m, a 169% increase compared to 2020. Accumulated revenue per end of December 2021 from recurring revenue contracts is NOK 145.6m, corresponding to NOK 28.0m last year. Revenue from consulting services for full year of 2021 is NOK 248.0m, a 109% increase compared to the same period last year.



Revenue per region



Revenue per service line



Financial review



Revenue
+91%

NOK 116.0m vs. 60.8m

EBITDA for the fourth quarter amounted to NOK -4.5m which is NOK 48.7m above the same quarter last year. EBITDA margin for the quarter was -3.9%. For the full year 2021, Arribatec Group had an EBITDA of NOK -6.8m, a 38.5m increase compared to full year 2020. EBITDA adjusted for M&A-related expenses and restructuring cost in fourth quarter was NOK -0.9, thus a margin of -0.8% for the quarter. The corresponding number for full year 2021 was NOK -1.6m, which gave a margin of -0.4%.

Depreciation and amortization (D&A) amounted to NOK 43.0m for the full year 2021 compared to NOK 7.2m in 2020. The corresponding number for Q4 2021 was NOK 20.1m, compared to NOK 3.4m in Q4 2020. The two main components of the D&A are amortizations of intangible assets from acquired companies, internally developed software, depreciation of fixed assets, and depreciation of right of use assets such as office lease contracts calculated according to IFRS 16. Right of use depreciation amounted to NOK 6.4m in Q4. During Q4, an impairment of NOK 3.4m on custom software was made.

Finance, tax & net result

Net financial items was NOK -2.3m and calculated tax income for the period is NOK 4.1m leaving a net loss after tax of NOK -22.8m for the quarter. For full year 2021, Arribatec Group has recorded an accumulated net loss of NOK 48.9m compared to a loss of NOK 55.6m for the same period last year.

The balance sheet

The development in the balance sheet from year end 2020 to 31.12.2021 is mainly impacted by the five acquisitions made in

2021. Total assets of the Group at the end of year was NOK 552.0m compared to 411.1m at the end of the year 2020. Non-current intangible assets at the end of the period accounted for NOK 374.2m. Intangible assets consist of goodwill of NOK 205.3m, which stems from the acquisitions done by Arribatec since the reverse takeover of Hiddn Solutions ASA in Q4 2020. Additionally, as at the end of period, NOK 46.0m of the purchase price paid for the companies has been allocated as the value of the customer relations in those same companies. Finally, technical and custom-made software accounts for NOK 49.5m of the intangible assets. Total intangible assets at the end of 2020 was NOK 125.3m.

Current assets of NOK 177.8m consist of trade receivables of 76.3m, while the cash balance at the end of the quarter was NOK 43.8m. Other receivables, inventory and contract assets add up to NOK 57.7m. Total current assets at the end of 2020 was NOK 258.4m.

Non-current liabilities at the end of the year are NOK 78.6m, of which 27.9m is drawdowns on smaller revolving credit facilities in Norway and Italy. Lease liabilities related to office and equipment with a remaining lease period above twelve months calculated under IFRS 16 accounted for NOK 19.1m, while deferred tax totaled to 17.1m. Non-current provisions of NOK 14.4m mainly relates to indemnity funds in the acquired IB Group. Total non-current liabilities at the end of last year was NOK 16.8m.

Current liabilities amounted to NOK 157.0m at the end of 2021. Other Current liabilities account for 91.3m. This item mainly includes accruals for employee tax and VAT. The total amount of current liabilities at the end of last year was NOK 78.1m.

A correction of error from previous years have been recognized in the equity with NOK 2.8m. At the end of the quarter, total equity was NOK 316.4m, giving an equity ratio of 57.3%.

At the end of the year 2021, Arribatec had a total of 584,903,094 shares outstanding.

Cash flow and liquidity

Arribatec's cash flow from operating activities in Q4 was positive with NOK 6.7m, which compares to a negative 11.8m in the fourth quarter of 2020. Net change in accounts receivables and payables had a positive impact of NOK 4.6m while a change in other current accounts reduced cash from operation by another NOK 6.7m (mainly employee tax and accrued vacation pay). Net cash flow from investing activities was NOK -20.8m. Of this, 19.7m is capitalized development costs and purchased software. Net cash flow from financing was negative by NOK 0.3m. Arribatec had NOK 43.8m in cash and cash equivalents at the end of the year.

Other activities

On October 11, 2021 Arribatec closed the acquisition of the UK based Integra Associates. Integra is UK's longest-standing Unit4 partner. The company, a global elite partner of Unit4 and the 2020 global service partner of the year, has offices in Leicester and Manchester, UK, and consists of a team of 45 highly competent resources. The company's result for the last three months of 2021 is fully included in the Arribatec Group Q4 result.

Subsequent events after reporting date

On December 20, 2021, the Company announced the CEO change, where Per Ronny Stav would resign and take up the position as Chief Commercial Officer for the Company and Geir Johansen, the Group CFO, would take over the CEO role, effective January 1 2022.



Responsibility Statement

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 31 December 2021, which have been prepared in accordance with IAS 34 as adopted by EU, gives a true and fair view of the Company and the Group's consolidated assets, liabilities, financial position and results of operations, and that the management report includes a fair review of important events during the period and their effects on the condensed set of financial statements for the full year 2021, together with a description of the principal risks and uncertainties for the remaining months of the financial year as well as material transactions with related parties for the period.

Oslo, 27 February 2022

Martin Nes
Chairman of the board

Øystein Stray Spetalen
Board member

Yvonne Litsheim Sandvold
Board member

Kristin Hellebust
Board member

Henrik Lie-Nielsen
Board member

Geir Johansen
CEO



\ Condensed consolidated financial statements & notes .

\ Condensed consolidated statements of profit and loss .

<i>NOK thousand</i>	Note	For the quarter end		Year to date	
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Revenue	3	115 977	60 814	413 938	154 024
Materials, software and services		(25 037)	(9 390)	(92 859)	(17 609)
Gross profit		90 941	51 424	321 079	136 415
Salary and personnel costs		(80 292)	(32 312)	(272 679)	(99 143)
Cost from reverse takeover		0	-56 822	0	(56 822)
Other operating expenses		(15 184)	(15 516)	(55 201)	(25 710)
Total operating expenses		(95 476)	(104 650)	(327 879)	(181 674)
EBITDA		(4 535)	(53 226)	(6 800)	(45 259)
Depreciation, amortization and impairment		(20 087)	(3 440)	(42 970)	(7 240)
EBIT		(24 622)	(56 665)	(49 770)	(52 499)
Financial income	4	(1 307)	673	2 597	1 247
Financial expense	4	(943)	(1 288)	(6 487)	(2 945)
Profit/(loss) before tax		(26 873)	(57 280)	(53 660)	(54 197)
Tax expense		4 069	(712)	4 718	(1 424)
Profit/(loss) after tax attributable to equity holders of the parent company		(22 804)	(57 992)	(48 942)	(55 620)
Earnings per share: basic	10	(0.04)	(0.19)	(0.10)	(0.18)
Earnings per share: diluted	10	(0.04)	(0.19)	(0.10)	(0.18)

\ Condensed consolidated statements of comprehensive income .

<i>NOK thousand</i>	For the quarter end		Year to date	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Net profit/(loss) for the period	(22 804)	(57 992)	(48 942)	(55 620)
Items that may be classified subsequently to profit or loss				
Foreign currency translation differences - foreign operations	2 351	15	390	60
Other comprehensive income/(loss) for the period	2 351	15	390	60
Total comprehensive income/(loss) for the period	(20 453)	(57 977)	(48 551)	(55 561)
Attributable to:				
Equity holders of the parent company	(20 453)	(57 977)	(48 551)	(55 561)

Condensed consolidated statements of financial position

<i>NOK thousand</i>	Note	Year to date	
		31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Property, Plant and equipment		7 445	3 258
Right-of-use assets	6	30 266	20 768
Goodwill	5	205 279	93 827
Customer relations	5	46 031	13 145
Other Intangible assets	5	65 047	18 310
Other non-current assets		10 678	945
Deferred tax assets		9 488	2 436
Total non-current assets		374 235	152 689
Current assets			
Trade receivables		76 309	32 956
Other receivables		2 290	22 090
Contract assets		19 549	9 948
Inventory		3 179	2 439
Other current assets		32 685	2 746
Cash and cash equivalents		43 758	188 270
Total current assets		177 771	258 448
TOTAL ASSETS		552 006	411 137

<i>NOK thousand</i>	Note	Year to date	
		31 Dec 2021	31 Dec 2020
EQUITY AND LIABILITIES			
Equity			
Paid in capital			
Issued capital	9	163 773	117 203
Other paid in capital		196 700	194 510
Total paid in capital		360 473	311 713
Other equity			
Other reserves		398	8
Other equity		(44 449)	4 493
Total other equity		(44 050)	4 501
Total equity		316 423	316 214
Non-current liabilities			
Interest bearing loans	7	27 902	1 344
Lease liabilities	6	19 148	15 500
Other non-current financial liabilities		96	0
Deferred tax liabilities		17 113	0
Provisions		14 371	0
Total non-current liabilities		78 630	16 843
Current liabilities			
Short term financial liabilities	7	9 523	7 046
Current lease liabilities	6	12 346	7 125
Accounts payable		21 227	23 966
Contract liabilities		21 483	1 283
Current tax payable		1 076	3 596
Other current liabilities		91 297	35 064
Total current liabilities		156 953	78 080
Total liabilities		235 583	94 923
TOTAL EQUITY AND LIABILITIES		552 006	411 137

Condensed consolidated statements of changes in shareholders' equity .

	Equity related to the shareholders of the parent company					
	Restricted Share capital	Treasury shares	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total Equity
<i>NOK thousand</i>						
Balance on 1 January 2020	2 589	(312)	16 286	(52)	3 291	21 802
Result of the period					(55 620)	-55 620
Comprehensive income for the period				60		60
Total comprehensive result for the period	0	0	0	60	(55 620)	(55 561)
Treasury shares acquired		(276)				(276)
Other equity transactions			(834)			(834)
Issue of share capital in Arribatec AS	847		83 824			84 670
Reverse take over reclassification of Arribatec AS	(3 436)	588	2 848			0
Reverse take over Arribatec Solutions ASA	91 204		(64 614)		56 822	83 412
Capital Increase employees offer, Nov	2 800		6 600			9 400
Capital increase repair issue, Nov	9 199		21 684			30 884
Capital increase, Private placement Dec	14 000		96 000			110 000
Cost of share issue			(12 891)			(12 891)
Share consideration relating business combinations – shares to be issued in 2021			45 607			45 607
Closing balance on 31 December 2020	117 203	0	194 510	8	4 493	316 214
Balance on 1 January 2021	117 203	0	194 510	8	4 493	316 214
Result of the period					(48 942)	(48 942)
Comprehensive income for the period				390		390
Total comprehensive result for the period	0	0	0	390	(48 942)	(48 551)
Other equity transactions			(2 870)			(2 870)
Share consideration relating to business combination 2020 (Facil, Microsky and Innit)			(45 607)			(45 607)
Capital increase related to business combinations	11 628		74 929			86 557
Conditional share consideration relating to acquisition of Integra – shares to be issued during 2022 and 2023			11 281			11 281
Capital increase related to merger with subsidiary Arribatec AS	34 941		(34 941)			0
Share issue cost			(600)			(600)
Closing balance 31 Dec 2021	163 773	0	196 700	398	(44 449)	316 423

\ Condensed consolidated statements of cash flows .

<i>NOK thousand</i>	Note	For the quarter end		Year to date	
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Operating activities					
Profit/(Loss) before tax		(26 873)	(58 704)	(53 660)	(55 620)
Taxes paid		0	(598)	(982)	(1 196)
Adjustments for:					
- Calculated cost from reverse takeover		0	56 822	0	56 822
- Finance income and expense	4	2 252	615	3 892	1 698
- (Increase)/decrease in trade receivables		734	3 229	(6 874)	1 328
- (Decrease)/increase in trade payables		3 823	5 184	(13 257)	6 089
- Depreciation and amortization	5, 6	16 728	3 440	39 611	7 240
- Impairment losses on intangible assets	5	3 359	0	3 359	0
Change in other current accounts		6 698	(21 750)	1 713	(17 369)
Net cash flows operating activities		6 722	(11 762)	(26 198)	(1 009)
Investing activities					
Cash received through business combination	7	7 890	34 741	29 857	34 741
Cash consideration Investment in subsidiaries	8	(16 569)	(59 942)	(118 299)	(59 942)
Capitalized development costs and tangible assets	5	(12 258)	(2 639)	(27 416)	(12 548)
Interest received		113	236	212	236
Net cash flows investing activities		(20 824)	(27 605)	(115 647)	(37 514)
Financing activities					
Proceeds from borrowings		2 723	5 472	18 445	5 472
Change in overdrafts		5 385	(11 096)	(2 067)	(3 821)
Repayment of debt		(657)	(1 179)	(3 006)	(1 179)
Interest paid		(1 321)	(253)	(2 507)	(755)
Instalments lease liabilities		(6 367)	0	(13 293)	0
Other changes in equity		0	(1 110)	0	(1 110)
Proceeds from shares issued		0	234 107	0	234 954
Share issue costs		(57)	(12 891)	(600)	(12 891)
Net cash flows financing activities		(294)	213 051	(3 028)	220 671
Net change in cash and cash equivalents		(14 396)	173 684	(144 873)	182 149
Cash and cash equivalents at beginning of period		56 111	14 585	188 270	6 121
Currency translation		2 043	0	361	0
Cash and cash equivalents at end of period		43 758	188 270	43 758	188 270

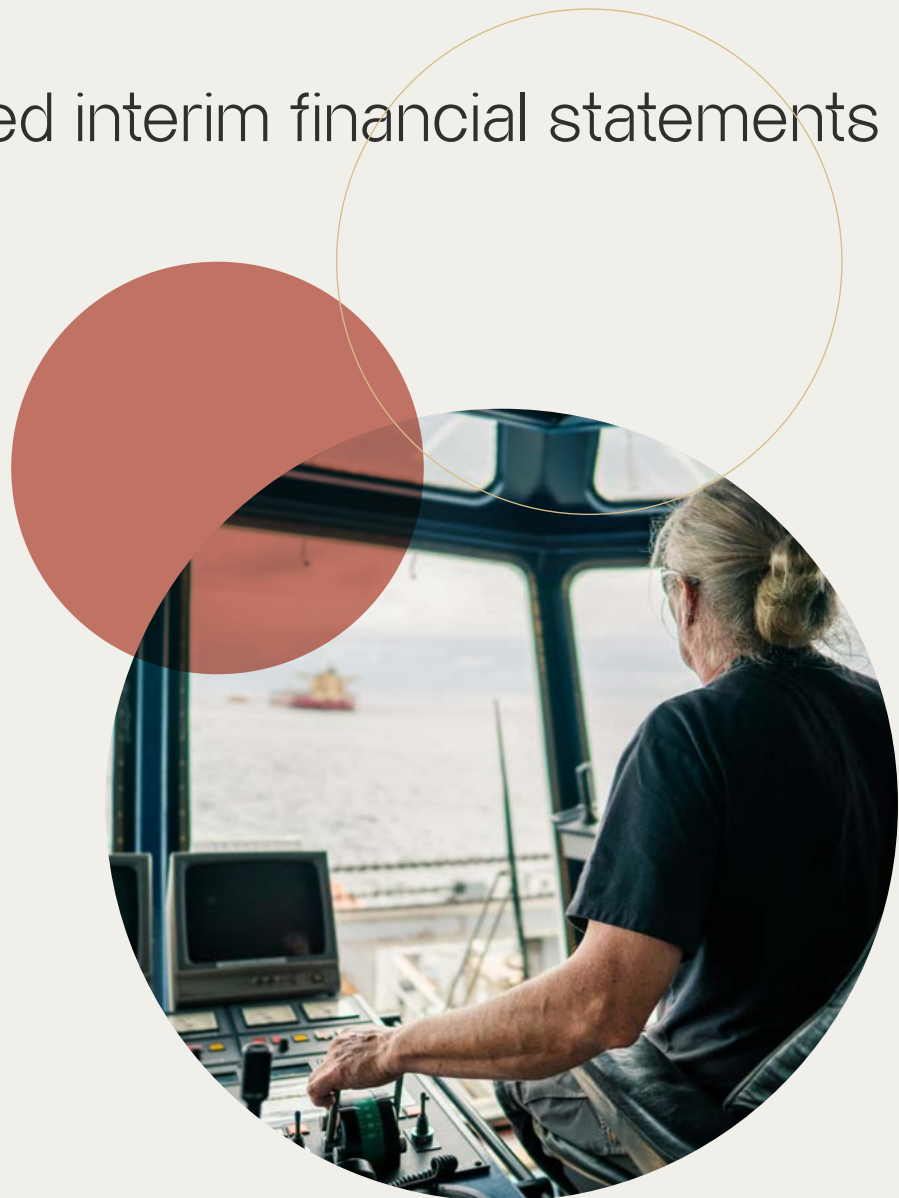
Notes to the condensed consolidated interim financial statements .

Note 1 Basis for the preparation

The Parent Company Arribatec Solutions ASA (Company) is a company domiciled in Norway. These condensed consolidated interim financial statements ("interim financial statements") comprise the Company and its subsidiaries (together referred to as "the Group"). This interim financial statements are unaudited for 2021 and it is prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU. The accounting policies adopted are consistent with those used in the annual financial statements for the year ended on 31 December 2020. Changes to IFRSs which have been effective from 1 January 2021 have had no material impact on the Group's financial statements. All presented figures in this interim report have been rounded and consequently, the sum of individual figures can deviate from the presented total.

Note 2 Risk and uncertainties

The Arribatec Group are exposed to a number of risks, including foreign currency exchange risk, liquidity risk, interest rate risk and credit risk. For further details relating to these risks and how the Group manage these risks, please see Note 3 in the consolidated annual financial statement for 2020. Though the IT software industries has been less impacted by the Covid 19 pandemic the Group follow up the macroeconomic uncertainties within its markets and also to secure the safety and health of employees during the pandemic to ensure deliveries to the customers. The risks described in the annual report of 2020 is unchanged.



Note 3 Revenue per geography and service

For the quarter end 31 Dec 2021

<i>NOK thousand</i>	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	39 266	32 012	1 748	73 026
Europe	34 158	4 618	(1 107)	37 669
Americas	4 896	290	96	5 282
Total revenue	78 319	36 920	738	115 977

For the quarter end 31 Dec 2020

<i>NOK thousand</i>	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	29 226	12 422	3 019	44 667
Europe	10 006	380	177	10 563
Americas	5 584	0	0	5 584
Total revenue	44 816	12 802	3 196	60 814

Year to date 31 Dec 2021

<i>NOK thousand</i>	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	131 872	126 924	14 877	273 672
Europe	92 742	14 345	4 211	111 297
Americas	23 355	4 313	1 301	28 968
Total revenue	247 969	145 581	20 388	413 938

Year to date 31 Dec 2020

<i>NOK thousand</i>	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	64 236	26 198	6 928	97 362
Europe	37 588	1 786	354	39 727
Americas	16 768	0	168	16 935
Total revenue	118 591	27 984	7 449	154 024

Note 4 Financial items

	For the quarter end		Year to date	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
<i>NOK thousand</i>				
Finance income				
Interest income	160	236	259	236
Realized foreign exchange gains	1 672	437	2 193	892
Other financial income	(3 140)	0	146	119
Total financial income	(1 307)	673	2 597	1 247
Finance expenses				
Interest on debts and borrowings	(685)	(252)	(1 872)	(754)
Interest expense on lease liabilities	(318)	(295)	(1 079)	(953)
Realized foreign exchange losses	(1 620)	(625)	(1 821)	(1 117)
Net unrealized foreign exchange losses	(708)	0	(979)	0
Other financial expenses	2 388	(115)	(736)	(120)
Total financial expenses	(944)	(1 288)	(6 487)	(2 945)
Net financial items	(2 251)	(615)	(3 890)	(1 698)

Note 5 Intangible assets

YTD 31 Dec 2021

<i>NOK Thousand</i>	Custom software	Customer relations	Technical software	Other intangible assets	Goodwill	Total
Cost at 1 January 2021	12 568	15 529	1 000	10 018	93 827	132 942
Adjustment of opening balance	(700)	700	0	0	0	0
Additions	826	0	153	4 876	0	5 855
Additions - internally developed	10 316	0	9 390	0	0	19 706
From business combinations ¹	1 116	40 972	42 167	0	111 282	195 537
Reclassifications	6 613	0	3 773	(10 386)	0	0
Less government grants	(725)	0	(713)	0	0	(1 438)
Translation difference	(39)	325	(1 416)	470	170	(489)
Cost at 31 December 2021	29 975	57 526	54 353	4 979	205 279	352 112
Accumulated amortizations at 1 January 2021	(1 807)	(3 084)	(667)	(2 102)	0	(7 660)
Amortization	(3 091)	(8 411)	(11 335)	(1 898)	0	(24 735)
Reclassifications	(1 836)	0	(1 521)	3 357	0	0
Impairment	(3 359)	0	0	0	0	(3 359)
Accumulated amortization at 31 December 2021	(10 093)	(11 495)	(13 523)	(643)	0	(35 755)
Carrying amount at 31 December 2021	19 882	46 031	40 830	4 336	205 279	316 358
Useful life	5-10 yrs	5 yrs	5 yrs	3-10 yrs	Infinite	

1) Ref Note 8, Business combinations.

Full year 2020

<i>NOK Thousand</i>	Custom software	Customer relations	Technical software	Other intangible assets	Goodwill	Total
Cost at 1 January 2020	3 799	7 000	1 000	4 264	2 577	18 639
Additions	1 460	0	0	2 241	0	3 702
Additions - internally developed	8 799	0	0	0	0	8 799
From business combinations	0	8 529	0	3 513	91 250	103 292
Less government grants	(1 490)	0	0	0	0	(1 490)
Cost at 31 December 2020	12 568	15 529	1 000	10 018	93 827	132 942
Accumulated amortizations at 1 January 2020	(191)	(700)	(167)	(1 022)	0	(2 080)
Amortization	(1 615)	(2 384)	(500)	(1 081)	0	(5 580)
Accumulated amortization at 31 December 2020	(1 807)	(3 084)	(667)	(2 102)	0	(7 660)
Carrying amount at 31 December 2020	10 762	12 445	333	7 915	93 827	125 282
Useful life	5-10 yrs	5 yrs	5 yrs	5-10 yrs	Infinite	

Note 6 Leased assets

Right-of-use assets

YTD

NOK thousand

	Buildings	Vehicles	Hardware	Other	Total
Right-of-use assets per 1 Jan 2021	15 867	143	0	4 757	20 768
Addition of right-of-use assets	9 446	678	4 560	7 817	22 501
Depreciation in the period	(6 833)	(233)	(1 421)	(4 170)	(12 656)
Reclassification	0	(143)	0	143	0
Translation difference	(331)	(16)	0	0	(347)
Carrying amount of right-of-use assets, end of period	18 149	430	3 139	8 548	30 266

Remaining lease term	1-5 years	1-4 years	1-3 years	1-3 years
Depreciation method	Linear	Linear	Linear	Linear

Lease liabilities

*NOK thousand*YTD
30 Sep 2021

Undiscounted lease liabilities and maturity of cash outflow	
< 1 year	12 346
1-2 years	10 435
2-3 years	5 427
3-4 years	1 556
4-5 years	394
Total undiscounted lease liabilities, end of period	30 158
Discount element	1 337
Total discounted lease liabilities, end of period	31 494

Note 7 Interest bearing debt in detail

	Credit facilities	Other borrowings	Total
Balance at 1 Jan 2021	6 364	2 026	8 389
Acquisition of subsidiaries	4 904	11 323	16 227
Proceeds from loans and borrowings	4 012	18 445	22 457
Repayment of loans and borrowings	(6 079)	(3 006)	(9 085)
Total changes in financial cashflow	(2 067)	15 439	13 373
Translation difference	(170)	(394)	(564)
Total Borrowings at end of period	9 030	28 394	37 425

NOK thousand

Debt financial institutions	Type	Currency	Facility limit	Interest rate	Year of maturity	Amount in NOK	
						31 Dec 2021	31 Dec 2020
DNB	Revolving credit facility	NOK	7 000	6.15%	2023	5 710	5 018
DNB	Secured bank loan	NOK		4.65%	2023	185	336
DNB	Revolving credit facility	NOK	6 000	4.5%	2021	0	1 346
DNB	Secured bank loan	NOK		4.5%	2025	0	445
DLL	Leasing & finance company	NOK		4.5%	2024	493	682
The Norwegian Research Council	Governmental	NOK		3.35%	2022	188	562
Bank Intesa, Italy	Secured bank facilities	EUR		EURIBOR+1.95%-2.40%	2027	9 824	0
Bank Progetto, Italy	Secured bank loan	EUR		EURIBOR+5%	2025	7 236	0
Bank Carige, Italy	Secured bank loan	EUR		1.3%	2027	7 478	0
Bank Passadore, Italy	Secured bank loan	EUR		EURIBOR+1.5%	2028	2 991	0
Various Italian banks	Revolving credit facility	EUR		1.0-4.75%	2023	3 320	0
Total						37 425	8 389

Note 8 Business combinations – Preliminary PPA

	2021					2020		
	Maksit	Qualisoft	IB Group	Infoship	Integra	Microsky	Facil	Innit
Date of acquisition	18.02.2021	23.02.2021	20.01.2021	01.04.2021	11.10.2021	11.11.2020	05.11.2020	03.11.2020
Acquired part of Company	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Purchase price	35 987	85 605	20 830	258	36 268	11 160	24 846	69 543
Whereof Cash consideration	25 787	54 855	20 830	258	16 569	1 500	0	58 442
Whereof Share consideration	10 200	30 750	0	0	2 863	9 660	24 846	11 101
An earn-out component is included in the purchase price amounting to:	0	0	0	0	16 836	0	0	0
Fair value of assets and liabilities on acquisition								
Non-current assets								
Property, plant and equipment	101	457	1 114	142	940	271	4	1 543
Goodwill	22 541	66 361	5 025	9	17 091	9 931	24 416	57 157
Customer Relationship	9 234	15 128	0	0	16 610	511	0	8 018
Software	0	0	43 282	143	0	0	0	0
Other intangible fixed assets	0	0	22 034	0	0	0	0	3 513
Deferred tax assets	0	0	71	0	0	0	51	0
Other long term assets	0	0	0	0	0	0	0	267
Total non-current assets	31 876	81 946	71 527	294	34 640	10 713	24 471	70 498
Current assets								
Trade receivables	3 675	21 856	3 060	240	7 648	1 861	0	8 087
Other current assets	263	7 218	1 202	31	462	1 034	63	6 631
Contract assets (earned, not invoiced)	0	656	748	0	930	1	0	651
Cash & cash equivalents	7 331	10 937	2 446	1 253	7 890	2 463	360	4 816
Total current assets	11 269	40 667	7 457	1 524	16 930	5 359	423	20 185
Total Assets	43 145	122 613	78 985	1 817	51 570	16 072	24 894	90 683
Non-current liabilities								
Long term interest bearing debt	0	0	16 227	0	0	0	0	534
Deferred tax liabilities	2 032	3 328	7 127	0	3 126	112	0	1 782
Other long-term liabilities & provisions	0	0	14 472	1 549	1 101	0	0	0
Total non-current liabilities	2 032	3 328	37 825	1 549	4 228	112	0	2 316
Current liabilities								
Trade payables	613	1 871	6 287	0	1 747	1 533	0	3 888
Tax liabilities	520	0	0	0	(443)	50	0	474
Current Contract liabilities (deferred revenue)	0	10 942	737	0	0	2	0	0
Other short term liabilities	3 621	20 867	13 306	10	9 771	3 215	48	14 180
Accrued expenses and prepaid income	372	0	0	0	0	0	0	283
Total current liabilities	5 126	33 680	20 330	10	11 075	4 800	48	18 825
Total Net assets	35 987	85 605	20 830	258	36 268	11 160	24 846	69 542
Net Sales full year 2020	18 626	67 716		na	na	17 454	376	77 729
Profit /Loss full year 2020	3 690	6 587		na	na	497	-167	2 067
Net Sales year 2020 (Arribatec)						3 530	218	19 165
Profit /Loss year 2020 (Arribatec)						308	16	1 230

Note 9 Issued shares, share capital and shareholder information

Issued shares and share capital	Number of shares	Share Capital (NOK)
1 January 2020	16 077 403	16 077 403
Capital issue, Jan	7 164 688	7 164 688
Capital issue, Mar	41 666 666	41 666 666
Capital issue, Mar	25 000 000	25 000 000
Capital decrease, Nov		-64 734 305
New shares, Oct	235 819 574	66 029 481
Share issue, repair offer, Nov	32 855 000	9 199 400
Share issue, employee offer, Nov	10 000 000	2 800 000
Share issue, private placement, Dec	50 000 000	14 000 000
1 January 2021	418 583 331	117 203 333
Capital issue in relation to acq. of Facil, Jan	12 423 200	3 478 496
Capital issue in relation to acq. of Microsky, Feb	3 499 998	979 999
Capital issue in relation to acq. of Innit, Mar	5 606 400	1 569 792
Capital issue in relation to acq. of Qualisoft, May	15 000 000	4 200 000
Capital issue in relation to acq. of Maksit, Aug	5 000 000	1 400 000
Capital issue in relation to merger with Arribatec AS, Sep	124 790 135	34 941 238
31 December 2021	584 903 064	163 772 858

20 largest shareholders at 31 Dec 2021	Holding	Stake
Ferncliff Listed Dai AS	116 554 032	19.9%
Arriba Invest AS	80 965 209	13.8%
Dallas Asset Management AS	24 598 694	4.2%
Joar Aarenes	23 911 850	4.1%
Nordnet Bank AB	23 014 128	3.9%
Torstein Ingvald Tvenge	21 000 000	3.6%
SRK Consulting AS	18 710 527	3.2%
Erik Skaar Opdal	16 952 000	2.9%
Trude Halvorsen	10 797 884	1.8%
Tigerstaden AS	10 000 000	1.7%
Datum AS	8 542 908	1.5%
Hanekamb Invest AS	7 553 463	1.3%
Lani Invest AS	6 888 760	1.2%
Norsk Regnesentral	6 770 735	1.2%
Danske Bank A/S	5 688 213	1.0%
LCS AS	5 518 001	0.9%
Lars Hugo Braadland Olsen	5 097 500	0.9%
Jan Arne Christensen	4 961 750	0.8%
Cantavit Holding AS	3 875 000	0.7%
AWR AS	3 875 000	0.7%
Total 20 largest shareholders	405 275 654	69.3%
Other shareholders	179 627 410	30.7%
Total	584 903 064	100.0%

Shares held by related parties	Holding	Stake	
Ferncliff Listed Dai AS	116 554 032	19.9%	Related to Øystein S. Spetalen, Member of the Board in Arribatec Group ASA
Hanekamb Invest AS	7 553 463	1.3%	Related to Martin Nes, Chairman of the Board in Arribatec Group ASA
Finance Resources GJ AS	3 079 574	0.5%	Related to Geir Johansen, CEO of Arribatec Group ASA
Reaktor Returns AS	1 738 830	0.3%	Related to Henrik Lie-Nielsen, Member of the Board in Arribatec Group ASA
Kjølvik Invest AS	583 334	0.1%	Related to Ole-Jakob Kjølvik, COO of Arribatec Group ASA
Sicubi AS	240 712	0.0%	Related to Bente Brocks, CFO (interim) of Arribatec Group ASA

Note 10 Earnings per share

	For the quarter end		Year to date	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
<i>NOK</i>				
Net profit/(loss) to equity holders	(22 804 470)	(57 992 176)	(48 941 616)	(55 620 279)
Total	(22 804 470)	(57 992 176)	(48 941 616)	(55 620 279)
Number of shares (in thousands)				
Weighted average number of ordinary shares	584 903 064	305 239 615	489 277 730	305 239 615
Effects of dilution, weighted average	5 169 284	129 663 617	91 776 213	129 663 617
Weighted average number of shares, adjusted for effects of dilution	590 072 348	434 903 232	581 053 943	434 903 232
Basic earnings per share	(0.04)	(0.19)	(0.10)	(0.18)
Diluted earnings per share ¹	(0.04)	(0.19)	(0.10)	(0.18)

1) If Net loss, EPS per Basic and Diluted share will be equal.

Note 11 Transactions with related parties

<i>NOK thousand</i>	For the quarter end		Year to date	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Transactions with related parties				
Ferncliff AS - Fee for CEO and CFO for hire ¹	0	1 290	562	1 290
Ferncliff AS - Fee related to capital increase ¹	0	3 400	0	3 400
Total Related parties transactions	0	4 690	562	4 690

1) Approved by the General meeting in Arribatec Group ASA 20 November 2020. Related to Tycoon Industrier AS, Related to Øystein S. Spetalen, Member of the Board in Arribatec Group ASA.

\ Terms and abbreviations and APMs .

Terms and abbreviations

APAC	Asia/Pacific
BA	Business Area
BizS	BA Business Services
BoD	Board of Directors
CGU	Cash Generating Unit
Cloud	BA Cloud
DKK	Danish Krone
EA-BPM	BA Enterprise Architecture & Business Process Management
EBIT	Operating profit, Earning before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization

EPS	Earnings Per Share
EUR	Euro
FTE	Full Time Equivalent
Hspt	BA Hospitality
IFRS	International Financial Reporting Standards
Marine	BA Marine
M&A	Mergers and Acquisitions
NOK	Norwegian Krone
Opex	Operating expenses
RR	Recurring revenue, derived from sale of services and solutions through subscription models this reporting period

RTO	Reverse take over
SEK	Swedish Krone
SaaS	Software as a service
Solaas	Solution as a service
USD	US dollar
VIU	Value in Use
WACC	Weighted Average Cost of Capital
WAEP	Weighted Average Exercise Price

APM / KPI definition

Gross profit	Operating revenue less materials, software and services
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
Adjusted EBITDA	EBITDA, adjusted for calculated reverse take-over cost, restructuring cost and direct M&A cost
EBITDA margin	EBITDA as a percentage of Total income
Equity ratio	Equity as a percentage of total assets

	For the quarter end		Year to date	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
<i>NOK thousand</i>				
EBITDA	(4 535)	(53 226)	(6 800)	(45 259)
Cost from reverse take over	0	56 822	0	56 822
M&A cost	390	3 314	1 959	3 314
Restructuring cost	3 240	0	3 240	0
Adjusted EBITDA	(905)	6 910	(1 601)	14 877

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Quarterly report - Q4

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