

Arribatec.

Quarterly report Q1 2024 .



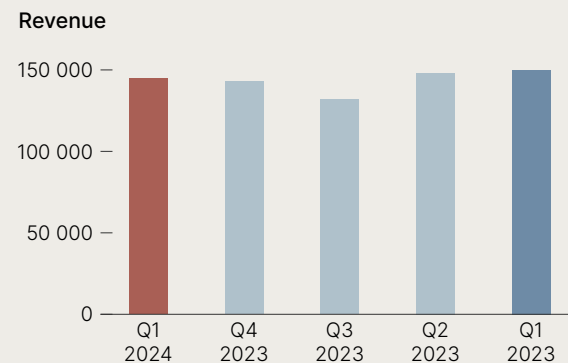
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Highlights .

Arribatec Group delivered a total revenue of NOK 144.6m for the first quarter of 2024, a decrease of 3.6% compared to the same period last year (150.0m). The Group reports an EBITDA for the first quarter of NOK 0.0m which is a decrease of NOK 5.3m compared to the same period of 2023 (5.3m). EBITDA adjusted for APMs (see [page 29](#)) was NOK 1.1m, with an adjusted EBITDA margin of 0.8%.

Recurring Revenue (RR) increased by NOK 9.0m compared to Q1 last year, to NOK 59.8m for Q1 2024. The cash balance at the end of the year was NOK 39.6m.



Key consolidated figures and ratios

		Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full year 2023
Revenue	TNOK	144 616	142 958	131 812	148 164	150 047	572 981
Gross profit	TNOK	109 947	111 504	100 029	113 334	115 441	440 308
EBITDA	TNOK	12	1 816	8 965	8 396	5 286	24 463
Adjusted EBITDA	TNOK	1 110	1 816	8 965	8 396	5 286	24 463
Operating profit/(loss), EBIT	TNOK	(11 114)	(9 376)	(3 907)	(4 219)	(6 342)	(23 844)
Net profit/(loss)	TNOK	(9 357)	(10 725)	(2 917)	(3 830)	(5 944)	(23 416)
Revenue growth y/y for the quarter/full year	%	(3.6%)	1.7%	11.5%	23.2%	19.1%	13.5%
Gross profit margin	%	76.0%	78.0%	75.9%	76.5%	76.9%	76.8%
EBITDA margin	%	0.0%	1.3%	6.8%	5.7%	3.5%	4.3%
Adjusted EBITDA margin	%	0.8%	1.3%	6.8%	5.7%	3.5%	4.3%
Earnings per share	NOK	(0.13)	(0.16)	(0.04)	(0.06)	(0.09)	(0.34)
Cash at end of period	TNOK	39 626	39 371	40 161	41 574	61 964	39 371
Equity	TNOK	255 832	262 100	272 611	277 058	278 471	262 100
Equity ratio	%	48.7%	52.3%	53.6%	52.3%	50.2%	52.3%
Price per share at end of reporting period ¹	NOK	4 077	4 650	5.450	5.300	3.260	4 650
FTEs, employed	Number	332	329	329	334	335	329
No. of outstanding shares, beg. of period ¹	Number	69 572 206	69 057 322	69 057 322	69 057 322	690 573 217	690 573 217
New shares issued ¹	Number	0	514 884	0	0	3	514 887
No. of outstanding shares, end of period ¹	Number	69 572 206	69 572 206	69 057 322	69 057 322	69 057 322	69 572 206
Average number of shares, year to date	Number	69 572 206	69 057 322	69 057 322	69 057 322	69 057 322	69 057 322

¹ Reversed share split (10:1) in Q1 2023

Operation & sales .

Growth in 3 out of 5 Business Areas in Q1

During the first quarter of 2024 we see a growth in both revenue and EBITDA in the three BAs Hospitality, Cloud and Marine.

Strategic changes by our software partners in 2023 continued to have an impact on our operation in the first quarter. For the parts of our business that were directly affected, we have chosen to widen our software solutions portfolio to have more flexibility and be less reliant on a single main software partner. Consequently, to be more independent, we have established new partnerships with other software vendors. This enables us to offer more tailored solutions to the specific needs of each client while reducing the influence of partner decisions in the future.

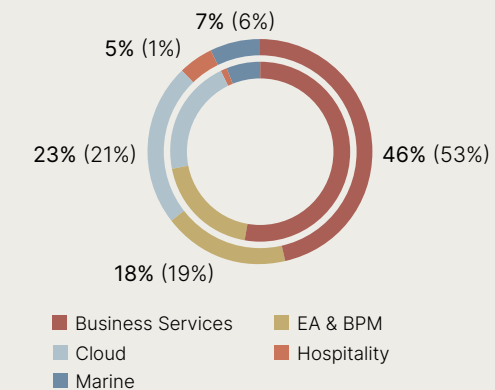
For BA Business Services, Region Nordics which faced challenges in the second half of 2023, achieved its highest revenue ever in Q1-24, largely due to new projects with software from our partners Visma, Hypergene, Rambase, and our own software solution InstiPro. The entire business area delivered a Q1 EBITDA margin above the two-year average mainly driven by Region Nordics which accounts for 55% of the total business area activity, delivering an unusually high EBITDA margin of 21% for the quarter.

Regions outside the Nordics saw revenue drop during Q1-24 compared to Q1-23, with region Americas and Continental Europe being most affected. Larger projects which we had prepared for in Q1-24 were not started by our clients as planned, due to the Unit4 uncertainties, This negatively affected the revenue and profitability for these regions. However, the BA Business Services sees signs that the customers are thinking of resuming paused projects, albeit on a smaller scale, and not with the same resource demands from us compared to before the Unit4 announcement.

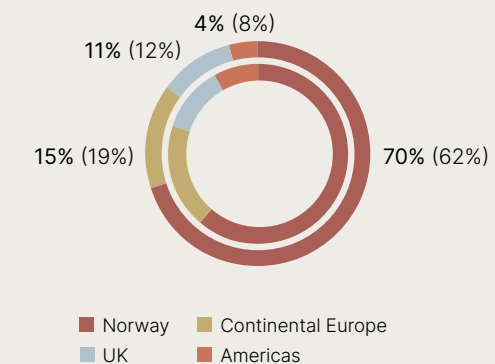
Looking forward we see many Unit4 customers, both existing and new ones, approaching us for support related to their preparations for a possible migration to the Unit4 cloud. Arribatec UK has already started work with several customers preparing them for the U4 cloud migration. Many additional customers are in dialog with us for the same type of assistance.

BA Enterprise Architecture & Business Process Management (EA&BPM) saw a temporary drop in revenue of NOK 2m compared to the Q1-23, primarily due to postponed projects and missed opportunities as well as Easter occurring in Q1 as opposed to Q2 last year. The business area has on-boarded new staff members in the first quarter to prepare for expected business growth later in the year, not yet chargeable. The

Revenue mix Q1 compared to last year, per Business Area
Per cent



Revenue mix Q1 compared to last year, per geographic region
Per cent



EBITDA therefore came to NOK 0.7m (NOK 7.1m). EA&BPM has also developed a strategy of working with multiple partners, and we anticipate finalizing a new global agreement (excl. Norway) for reselling and partnership in the second quarter. Lastly, EA&BPM will also expand into the UK and Sweden in Q2, giving us access to much bigger markets.

BA Cloud introduced its hardware webshop in late 2023 and has seen more customers buying hardware from them in Q1, leading to a 10% QoQ growth. The web shop makes the hardware supply service easier and faster for our customers and is getting good user feedback. The EBITDA margin increased by 41% compared to the same quarter last year and was 9% this quarter. Cloud signed new contracts at the end of last year that have not affected the P&L statement yet, but we expect to see their effect in Q2. The sovereign cloud concept is becoming more important, and our BA Cloud is getting ready to offer it to our customers who need it to comply with their regulatory rules.

Business area Marine increased its revenue by 18% in Q1 2024 compared to the same quarter in 2023. The main reason for the increase was more consulting services provided to current customers. Marine achieved an EBITDA of NOK 2.3m, thanks to good cost management and the results of the restructuring process that took place in 2023. This is a significant improvement from the NOK 0.4m EBITDA last year. Marine also secured their first contract in Greece during the quarter, and they are developing client relationships in both Southern and Northern Europe and the US.

Hospitality grew 6-fold its revenue from the same period last year, where consulting revenue still accounts for the largest revenue component. The recurring revenue from installed kiosks, however, has doubled compared to a year ago. As the number of installed kiosks grows, we expect recurring revenue to quickly become the main revenue component considering that license and support revenue per kiosk is approximately NOK 80k per year. On top of this Hospitality receives a percentage of all up-sales made through the kiosks in addition to payment transaction fees. As the cost associated with recurring revenue is very modest, the margin from this is very attractive.

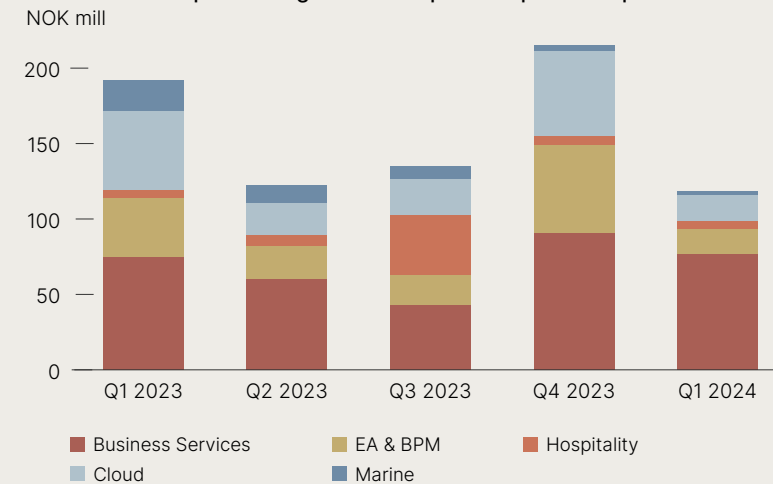
EBITDA improved by 57% compared to Q1 2023. However, the EBITDA ended negative, mainly because of a one-time severance pay of NOK 1.1m in Q1-24. Hospitality continues to land new contracts and signed eleven contracts with new hotels and hotel franchises across Europe. Presently our solutions are installed in hotels in Norway, Sweden, Denmark, Belgium, the UK, and Ireland.

Business development

430 new sales contracts were signed in Q1 at a combined value of NOK 138m, including scope extensions and new agreements. The five largest contracts account for 24% of the new contracted volume.

Regionally, the Nordic remains the largest with 58% of the new contract volume in Q4. Value wise, the distribution is as follows for our business areas:

Business Development - signed Q1 compared to previous quarters



Business services 55%, Cloud 12%, EA&BPM 12%, Hospitality 4%, and Marine 15%, and the top five industries are Civil engineering, Energy, Public sector, Maritime and Higher education.

Signed contracts in NOK

- Q1 2023 NOK 191m
- Q2 2023 NOK 121m
- Q3 2023 NOK 135m
- Q4 2023 NOK 215m
- Q1 2024 NOK 138m

Financial review .

Profit & loss

Arribatec Group's QoQ revenue decrease was 3.6% and was reported at NOK 144.6m. Recurring revenue (RR) accounted for NOK 59.8m in Q1 2024, or 41% of total revenue, whereas Region Norway delivered 70% of the total. Compared to Q1 2023, RR increased by NOK 9.0m (18%). In Q1 2024, consulting services accounted for NOK 76.2m of the total revenue, where Region Norway had NOK 45.3m, Continental Europe NOK 16.1m, UK NOK 10.8m and Americas NOK 3.9m. Consulting revenue Q1 2024 was 19% lower than Q1 2023.

Cost of material, software and services (COGS) amounted to NOK 34.7m in Q1 compared to last year of NOK 34.6m. Gross profit decreased by NOK 5.5m to NOK 109.9m in Q1 2024 compared to Q1 2023 due to a decrease in revenue. The gross margin is slightly lower due to the revenue mix following the increased sale of hardware.

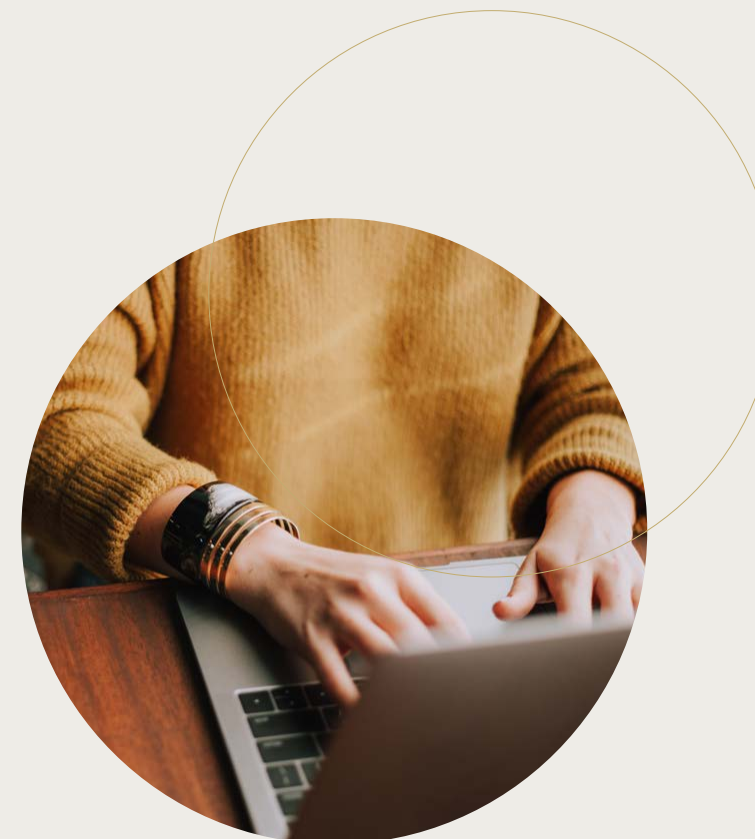
Total operating expenses for Q1 amounted to NOK 109.9m compared to NOK 110.2m last year, a decrease of NOK 0.3m. The main expenses in Operating expenses is salary and personnel costs, equal to appr. 85% of total operating expenses.

EBITDA for Q1 2024 was NOK 0.0m which is a decrease of 5.3m compared to last year's Q1. The decrease stems from the revenue decrease in the quarter, mainly affected by reduced chargeability in the Business services and EA&BPM due to the aforementioned sales situation. Another factor is Easter falling into Q1 in 2024 and Q2 in 2023. EBITDA margin for the quarter ended at 0.0%, compared to 3.5% last year's first quarter. Adjusted EBITDA, including an APM of NOK 1.1m, ended at NOK 1.1m, with an adjusted EBITDA margin of 0.8%.

Depreciation, amortisation and impairment (D&A) amounted to NOK 11.1m in Q1, compared to NOK 11.6m same quarter last year. The components of the D&A are amortisations of intangible assets from acquired companies (3.6m), internally developed software and technical software (1.9m), depreciation of fixed assets (0.7m) and depreciation of right-of-use assets such as office lease contracts calculated according to IFRS 16 (4.4m).

Finance, tax & net result

Net financial items for the quarter were NOK -0.8m and Net tax income was 2.5m. Net loss for the quarter was NOK -9.4m compared to Q1 2024 of -5.9m.



The balance sheet

The total assets of the Group at the end of the first quarter of 2024 were NOK 525.6m compared to 501.5m at the end of the year 2023. Non-current intangible assets at the end of the period accounted for NOK 273.0m. Intangible assets consist of goodwill from the acquisitions done by Arribatec since Q4 2020 of NOK 207.7m and NOK 21.7m allocated to the value of customer relations during the same acquisitions. Technical and custom-made software accounts for NOK 38.2m of the intangible assets and licenses NOK 5.3m. Total intangible assets at the end of 2023 were NOK 274.0m.

Current assets of NOK 186.7m consist of account receivables of 102.6m and a cash balance at the end of the period of NOK 39.6m. Contract assets, inventory and other current assets add up to NOK 44.4m. Total current assets at the end of 2023 were NOK 169.3m.

Non-current liabilities at the end of the quarter were NOK 53.1m, of which 11.6m were drawdowns on smaller revolving credit facilities in Italy. Lease liabilities related to office and equipment with a remaining lease period above twelve months, calculated under IFRS 16, accounted for NOK 21.6m, while deferred tax totalled to 7.1m. Total non-current liabilities at the end of 2023 was NOK 50.0m.

Current liabilities amounted to NOK 216.7m at the end of the quarter. Other current liabilities accounted for 87.8m, which

mainly includes accruals for employee tax and VAT. The total amount of other current liabilities at the end of last year was NOK 189.0m.

At the end of the quarter, total equity was NOK 255.8m, giving an equity ratio of 48.7%.

Cash flow and liquidity

Arribatec's cash flow from operating activities in Q1 2024 was positive by 23.8m, compared to a positive of 34.1m in the same quarter last year. The net change in accounts receivables and payables had a negative impact of NOK 19.7m. Furthermore, a change in other current accounts increased cash from operation by NOK 43.5m.

Net cash flow from investing activities was NOK -10.4m in Q1. Of the capitalized assets, the main part is capitalized software development costs and purchased software. Q1 was also affected with -7.5m by the final payment of the earn-out related to the acquisition of Integra in 2021.

Net cash flow from financing was negative by NOK 13.7m. Arribatec had NOK 39.6m in cash and cash equivalents at the end of the quarter.

Events after the reporting date

No events have occurred after the balance sheet date that requires adjustments or additional disclosures.



Interim condensed consolidated financial statements & notes .

Interim condensed consolidated statements of profit and loss .

NOK thousand	Note	For the quarter end		Full year 2023
		31 Mar 2024	31 Mar 2023	
Revenue	3	144 616	150 047	572 981
Materials, software and services		(34 669)	(34 606)	(132 673)
Gross profit		109 947	115 441	440 308
Salary and personnel costs		(93 275)	(91 377)	(346 608)
Other operating expenses		(16 661)	(18 778)	(69 236)
Total operating expenses		(109 935)	(110 155)	(415 845)
EBITDA		12	5 286	24 463
Depreciation, amortisation and impairment	4, 5	(11 126)	(11 628)	(48 307)
EBIT		(11 114)	(6 342)	(23 844)
Financial income	6	435	2 059	3 208
Financial expense	6	(1 196)	(2 699)	(9 414)
Profit/(loss) before tax		(11 875)	(6 982)	(30 050)
Tax expense		2 518	1 038	6 998
Profit/(loss) after tax		(9 357)	(5 944)	(23 053)
Attributable to:				
Equity holders of the parent company		(9 357)	(5 944)	(23 053)
Earnings per share: basic	7	(0.13)	(0.09)	(0.33)
Earnings per share: diluted	7	(0.13)	(0.09)	(0.33)

Interim condensed consolidated statements of comprehensive income .

NOK thousand	For the quarter end		
	31 Mar 2024	31 Mar 2023	Full year 2023
Profit/(loss) after tax	(9 357)	(5 944)	(23 053)
Items that may be classified subsequently to profit or loss			
Foreign currency translation differences - foreign operations	1 893	2 495	3 088
Other comprehensive income/(loss) for the period	1 893	2 495	3 088
Total comprehensive income/(loss) for the period	(7 464)	(3 449)	(19 965)
Attributable to:			
Equity holders of the parent company	(7 464)	(3 449)	(19 965)

Interim condensed consolidated statement of financial position .

NOK thousand	Note	31 Mar 2024	31 Dec 2023
ASSETS			
Non-current assets			
Property, Plant and equipment		6 427	6 436
Right-of-use assets	<u>4</u>	35 121	28 442
Goodwill	<u>5</u>	207 736	206 457
Customer relations	<u>4</u>	21 741	24 125
Other Intangible assets	<u>4</u>	43 500	43 771
Other non-current assets		4 064	3 989
Deferred tax assets		20 372	18 998
Total non-current assets		338 962	332 217
Current assets			
Accounts receivable		102 592	90 898
Contract assets		30 227	24 244
Inventory		1 420	1 548
Other current assets		12 798	13 267
Cash and cash equivalents		39 626	39 371
Total current assets		186 665	169 329
TOTAL ASSETS		525 627	501 545

NOK thousand	Note	31 Mar 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Share capital	<u>8</u>	194 802	194 802
Other paid in capital		214 043	214 085
Exchange differences		5 660	3 767
Other equity		(158 673)	(150 191)
Total equity		255 832	262 463
Non-current liabilities			
Interest bearing loans	<u>9</u>	11 615	12 928
Non-current lease liabilities	<u>4</u>	21 589	16 836
Other non-current financial liabilities		1 804	1 804
Deferred tax liabilities		7 139	7 786
Provisions		10 969	10 685
Total non-current liabilities		53 117	50 038
Current liabilities			
Interest bearing loans - current portion	<u>9</u>	19 973	26 460
Current lease liabilities	<u>4</u>	14 813	12 909
Accounts payable		31 836	39 816
Contract liabilities		60 913	24 319
Current tax payable		1 365	1 669
Other current liabilities		87 779	83 869
Total current liabilities		216 679	189 044
Total liabilities		269 795	239 082
TOTAL EQUITY AND LIABILITIES		525 627	501 545

Interim condensed consolidated statement of changes in equity .

NOK thousand	Equity related to the shareholders of the parent company				
	Restricted		Exchange differences	Other equity	Total Equity
	Share capital	Other paid in capital			
Balance on 1 January	193 361	215 645	679	(127 758)	281 927
Result of the period				(23 053)	(23 053)
Other comprehensive income for the period			3 087		3 087
Total comprehensive result for the period	0	0	3 087	(23 053)	(19 965)
Capital issue, Feb	0				0
Share issue cost		(118)			(118)
Share consideration relating to acquisition of Integra		(8 409)			(8 409)
Capital issue in relation to acq. of Integra, Dec	1 442	6 968			8 409
Share option cost				620	620
Closing balance 31 Dec 2023	194 802	214 085	3 767	(150 191)	262 463
Balance on 1 January	194 802	214 085	3 767	(150 191)	262 463
Result of the period				(9 357)	(9 357)
Other comprehensive income for the period			1 893		1 893
Total comprehensive result for the period	0	0	1 893	(9 357)	(7 464)
Share issue cost		(43)			(43)
Share option cost				875	875
Closing balance 31 Mar 2024	194 802	214 043	5 660	(158 673)	255 832

Interim condensed consolidated cash flow statement .

NOK thousand	Note	For the quarter end		Full year 2023
		31 Mar 2024	31 Mar 2023	
Operating activities				
Profit/(Loss) before tax		(11 875)	(6 982)	(30 050)
Taxes paid		(693)	(497)	(2 192)
Adjustments for:				
- Finance income and expense	<u>4</u>	515	640	6 203
- (Increase)/decrease in trade receivables		(11 694)	(5 420)	(2 684)
- (Decrease)/increase in trade payables		(7 981)	(376)	7 937
- Depreciation and amortisation		11 126	11 628	48 488
Calculated cost of employee share option program		875	0	620
Change in other current accounts		43 528	35 149	5 340
Net cash flows operating activities		23 801	34 143	33 663
Investing activities				
Cash consideration earn-out payment	<u>8</u>	(7 531)	0	(3 704)
Purchase of property, plant and equipment		(591)	(795)	(2 693)
Purchase and development of intangible assets	<u>5</u>	(2 353)	(1 091)	(16 502)
Interest received		79	36	563
Net cash flows investing activities		(10 397)	(1 850)	(22 336)

Interim condensed consolidated cash flow statement continued .

NOK thousand	Note	For the quarter end		Full year 2023
		31 Mar 2024	31 Mar 2023	
Financing activities				
Change in overdrafts		(6 795)	(6 551)	12 677
Repayment of debt		(1 817)	(1 394)	(6 173)
Interest paid		(266)	(261)	(1 161)
Received Gov.grants (SkatteFUNN)		0	0	3 301
Instalments lease liabilities		(4 777)	(3 114)	(20 038)
Proceeds from shares issued		0	0	0
Share issue cost		(43)	(6)	(118)
Net cash flows financing activities		(13 698)	(11 326)	(11 511)
Net change in cash and cash equivalents		(294)	20 967	(184)
Cash and cash equivalents at beginning of period		39 371	40 449	40 449
Currency translation		548	548	(893)
Cash and cash equivalents at end of period, incl. restricted cash		39 626	61 964	39 371
-whereof restricted cash		9 878	8 373	12 111

Notes to the interim condensed consolidated financial statements .

Note 01 Basis for the preparation

The parent company Arribatec Group ASA (Company) is a company domiciled in Norway. These interim condensed consolidated Statements (“interim financial statements”) comprise the Company and its subsidiaries (together referred to as “the Group”). These interim financial statements are unaudited for 2024 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 31 December 2023. Changes to IFRSs which have been effective from 1 January 2024 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 figure.

Note 02 Risk and uncertainties

In preparing these interim financial statements, management has made judgments and estimates that affect the application and accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates. Critical Accounting estimates and judgments in terms of accounting policies are more comprehensively discussed in the Company’s Annual report for the Financial Year 2023, available on Arribatec’s website: www.Arribatec.com.

Note 03 Revenue per geography and segment

Segment

The management of the Group follows up the revenue, EBITDA and EBIT by Business Area and geography.

Business services are focusing on ERP, BI & Analytics, DevOps, integrations, and software solutions for research institutes. Arribatec Business services provide simplicity by implementing, customizing, maintaining, and supporting the entire business landscape, with ERP as the core engine. We integrate it with other marked leading systems that provide better operational support and insight than a single ERP system does.

EA & BPM provides Enterprise Architecture and Business Process Management. Arribatec EA&BPM delivers solutions and long-term services within the spaces of business process management, enterprise architecture, and corporate governance to major Norwegian and Nordic customers, both in the private and public sectors.

Cloud provides cloud services such as hosting IT infrastructure within e.g. hybrid, Azure, Splunk, and GDPR. Arribatec Cloud provides consulting, outsourcing, and cloud services to private and public enterprises. In addition to offering market-leading cloud services from Microsoft and Google, Arribatec Cloud also operates its public cloud offering based on Norwegian data centers to accommodate special use cases for our customers.

Hospitality delivers solutions for self-check-in/check-out and payments for the hospitality industry.

Marine focus on the Maritime sector. BA Marine’s competencies are the development, implementation, and consulting of the owned asset management system solutions: Infoship.

For the quarter end 31 Mar 2024

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate	Eliminations	Total
Revenue	69 707	27 614	35 308	6 914	10 916	98	(5 940)	144 616
Materials, software and services	(11 030)	(7 779)	(17 768)	(2 565)	(917)	(534)	5 923	(34 669)
Gross margin	58 677	19 835	17 540	4 349	9 999	(436)	(17)	109 947
Salary and personnel costs	(46 179)	(17 275)	(12 219)	(4 782)	(6 532)	(6 286)	0	(93 275)
Other operating expenses	(4 340)	(1 861)	(2 069)	(1 173)	(1 125)	(6 108)	17	(16 661)
Total operating expenses	(50 519)	(19 137)	(14 289)	(5 956)	(7 657)	(12 394)	17	(109 935)
EBITDA	8 158	698	3 251	(1 607)	2 341	(12 830)	0	12
Depreciation, amortisation and impairment	(3 817)	(1 743)	(3 043)	(221)	(1 768)	(534)	0	(11 126)
EBIT	4 341	(1 044)	207	(1 828)	573	(13 364)	0	(11 114)
Gross margin %	84.2%	71.8%	49.7%	62.9%	91.6%	na	na	76.0%
EBITDA %	11.7%	2.5%	9.2%	(23.2%)	21.4%	na	na	0.0%
EBIT %	6.2%	3.9%	0.6%	(26.4%)	5.3%	na	na	(7.7%)

For the quarter end 31 Mar 2023

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate	Eliminations	Total
Revenue	82 968	29 699	32 190	949	9 284	145	(5 189)	150 047
Materials, software and services	(16 139)	(6 399)	(14 343)	(476)	(789)	(887)	4 428	(34 606)
Gross margin	66 829	23 300	17 847	474	8 495	(742)	(761)	115 441
Salary and personnel costs	(50 094)	(15 065)	(11 606)	(2 618)	(6 460)	(5 534)	0	(91 377)
Other operating expenses	(5 814)	(1 169)	(3 944)	(1 605)	(1 682)	(5 326)	761	(18 778)
Total operating expenses	(55 908)	(16 233)	(15 549)	(4 223)	(8 142)	(10 861)	761	(110 155)
EBITDA	10 921	7 067	2 298	(3 749)	353	(11 603)	0	5 286
Depreciation, amortisation and impairment	(4 065)	(1 638)	(1 925)	(653)	(1 762)	(1 586)	0	(11 628)
EBIT	6 856	5 429	373	(4 402)	(1 408)	(13 189)	0	(6 342)
Gross margin %	80.5%	78.5%	55.4%	49.9%	91.5%	na	na	76.9%
EBITDA %	13.2%	23.8%	7.1%	(394.9%)	3.8%	na	na	3.5%
EBIT %	8.3%	18.3%	1.2%	(463.7%)	(15.2%)	na	na	(4.2%)

Full year 2023

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate	Eliminations	Total
Revenue	294 258	111 010	127 016	10 903	47 645	662	(18 514)	572 981
Materials, software and services	(56 402)	(24 170)	(61 136)	(4 318)	(3 075)	(1 989)	18 418	(132 673)
Gross margin	237 856	86 840	65 880	6 585	44 570	(1 327)	(96)	440 308
Salary and personnel costs	(190 084)	(59 394)	(43 950)	(4 400)	(23 939)	(24 841)	0	(346 608)
Other operating expenses	(18 170)	(5 832)	(12 732)	(5 518)	(6 942)	(20 139)	96	(69 236)
Total operating expenses	(208 254)	(65 227)	(56 682)	(9 918)	(30 882)	(44 980)	96	(415 845)
EBITDA	29 602	21 614	9 198	(3 333)	13 689	(46 307)	0	24 463
Depreciation, amortisation and impairment	(19 563)	(6 557)	(7 802)	(3 533)	(7 211)	(3 642)	0	(48 307)
EBIT	10 039	15 057	1 396	(6 866)	6 478	(49 949)	0	(23 844)
Gross margin %	80.8%	78.2%	51.9%	60.4%	93.5%	na	na	76.8%
EBITDA %	10.1%	19.5%	7.2%	(30.6%)	28.7%	na	na	4.3%
EBIT %	3.4%	13.6%	1.1%	(63.0%)	13.6%	na	na	(4.2%)

Disaggregation of revenue

In the following table, revenue is disaggregated by primary service line, geography and recurrence. In presenting the geographic information, revenue is based on the geographic location of the legal entities.

For the quarter end 31 Mar 2024

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	45 335	47 488	7 900	100 723
Continental Europe	16 123	5 516	511	22 151
UK	10 783	5 220	182	16 185
America	3 945	1 612	0	5 557
Total revenue	76 186	59 836	8 594	144 617

Full year 2023

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	169 368	174 273	16 463	360 104
Continental Europe	86 016	15 900	6 874	108 790
UK	46 581	17 291	571	64 442
America	31 167	6 714	1 764	39 645
Total revenue	333 131	214 177	25 672	572 981

For the quarter end 31 Mar 2023

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	47 348	41 395	3 858	92 601
Continental Europe	23 124	4 090	795	28 010
UK	14 105	3 760	107	17 973
America	9 456	1 637	372	11 464
Total revenue	94 033	50 882	5 132	150 047

Note 04 Leased assets

Right-of-use assets Year to date

NOK thousand	Buildings	Vehicles	Hardware	Other	Total
Right-of-use assets per 1 Jan 2023	32 773	89	1 814	7 043	41 719
Addition of right-of-use assets	4 740	724	1 135	270	6 869
Correction of initial index regulation, addition part	(1 372)	(1)	0	0	(1 373)
Depreciation in the period	(13 320)	(235)	(1 650)	(3 458)	(18 663)
Correction of initial index regulation, reversal of depr. prev.years	180	0	0	0	181
Reclassification between categories	(41)	41	0	(0)	0
Disposals	(952)	0	0	(0)	(952)
Translation difference	657	2	1	0	660
Right-of-use assets per 1 Jan 2024	22 665	620	1 299	3 856	28 442
Addition of right-of-use assets	5 112	1 119	4 703	(14)	10 920
Depreciation in the period	(3 017)	(120)	(640)	(648)	(4 425)
Translation difference	156	28	0	0	184
Carrying amount of right-of-use assets, end of period	24 916	1 647	5 363	3 195	35 121
Remaining lease term	1-6 years	1-4 years	1-3 years	1-3 years	
Depreciation method	Linear	Linear	Linear	Linear	

Lease liabilities

NOK thousand	31 Mar 2024	31 Dec 2023
Undiscounted lease liabilities and maturity of cash outflow		
< 1 year	15 860	13 609
1-2 years	12 257	9 421
2-3 years	6 238	5 344
3-4 years	3 301	2 064
4-5 years	751	546
Total undiscounted lease liabilities, end of period	38 407	30 984
Discount element	(2 005)	(1 239)
Total discounted lease liabilities, end of period	36 402	29 745

NOK thousand	31 Mar 2024	31 Dec 2023
Total lease liabilities, end of period	36 402	29 745

Note 05 Intangible assets

Year to date 31 Mar 2024

NOK thousand	Goodwill	Customer relations	Other intangible assets; Custom software	Other intangible assets; Technical software	Other intangible assets; Licenses	Total
Cost at 1 Jan 2024	206 457	58 340	57 439	16 839	11 304	350 378
Additions - internally developed	0	0	2 353	0	0	2 353
Disposals	0	0	0	(2 541)	0	(2 541)
Translation difference	1 280	1 066	683	513	4	3 545
Cost, end of period	207 736	59 405	60 475	14 812	11 308	353 736
Accumulated amortisations at 1 Jan 2024	0	(34 215)	(24 845)	(11 446)	(5 518)	(76 024)
Amortisation	0	(2 946)	(1 913)	(699)	(453)	(6 011)
Disposals	0	0	0	2 541	0	2 541
Translation difference	0	(504)	(431)	(324)	(3)	(1 262)
Accumulated amortisation and impairment, end of period	0	(37 665)	(27 189)	(9 929)	(5 974)	(80 757)
Carrying amount at 31 Mar 2024	207 736	21 741	33 285	4 882	5 334	272 979
Useful life	Infinite	5 yrs	5–10 yrs	5 yrs	3–10 yrs	

Full year 2023

NOK thousand	Goodwill	Customer relations	Other intangible assets; Custom software	Other intangible assets; Technical software	Other intangible assets; Licenses	Total
Cost at 1 Jan 2023	204 581	56 799	51 883	13 654	7 752	334 669
Additions	0	0	0	0	3 634	3 634
Additions - internally developed	0	0	12 868	0	0	12 868
Less government grants	0	0	(604)	0	0	(604)
Reclassifications ¹	0	0	(2 249)	2 249	7	7
Disposals	0	0	(5 559)	(0)	(161)	(5 720)
Translation difference	1 875	1 541	1 099	937	71	5 523
Cost, end of period	206 457	58 340	57 439	16 839	11 304	350 378
Accumulated amortisations at 1 Jan 2023	0	(22 162)	(21 290)	(6 684)	(3 381)	(53 517)
Amortisation	0	(11 721)	(9 969)	(3 086)	(2 165)	(26 941)
Reclassifications ¹	0	0	1 253	(1 253)	(7)	(7)
Disposals	0	0	5 559	(0)	84	5 644
Translation difference	0	(332)	(399)	(423)	(50)	(1 204)
Accumulated amortisation and impairment, end of period	0	(34 215)	(24 845)	(11 446)	(5 518)	(76 024)
Carrying amount at 31 Dec 2023	206 457	24 125	32 593	5 393	5 786	274 354
Useful life	Infinite	5 yrs	5–10 yrs	5 yrs	3–10 yrs	

¹ Reclassifications made between categories

Note 06 Financial items

NOK thousand	For the quarter end		
	31 Mar 2024	31 Mar 2023	Full year 2023
Finance income			
Interest income	79	36	563
Realized foreign exchange gains	212	713	2 149
Net unrealized foreign exchange gains	145	1 286	381
Other financial income	0	24	115
Total financial income	435	2 059	3 208
Finance expenses			
Interest on debts and borrowings	(266)	(261)	(1 161)
Interest expense on lease liabilities	(323)	(340)	(1 171)
Realized foreign exchange losses	(336)	(1 931)	(4 131)
Other financial expenses	(271)	(168)	(2 952)
Total financial expenses	(1 196)	(2 699)	(9 414)
Net financial items	(761)	(640)	(6 206)

Note 07 Earnings per share

NOK thousand	For the quarter end		
	31 Mar 2024	31 Mar 2023	Full year 2023
Net profit/(loss) to equity holders	(9 357)	(5 944)	(23 053)
Total	(9 357)	(5 944)	(23 053)
Number of shares (in thousands)			
Weighted average number of ordinary shares	69 572	69 057	69 057
Effects of dilution, weighted average	0	383	371
Weighted average number of shares, adjusted for effects of dilution	69 572	69 440	69 428
Basic earnings per share (NOK)	(0.13)	(0.09)	(0.33)
Diluted earnings per share (NOK) ¹	(0.13)	(0.09)	(0.33)

¹ If Net loss, EPS per Basic and Diliuted share will be equal

Note 08 Issued shares, share capital and shareholder information

Issued shares and share capital

	Number of shares	Share Capital (NOK)
31 December 2021	584 903 064	163 772 858
Capital issue, April	100 000 000	28 000 000
Share issue, repair offer, July	3 625 153	1 015 043
Capital issue in relation to acq. of Integra, Nov	2 045 000	572 600
31 December 2022	690 573 217	193 360 501
Capital issue, February	3	1
Reverse share split (10:1), March	(621 515 898)	
Capital issue, December	514 884	1 441 675
31 December 2023	69 572 206	194 802 177
31 March 2024	69 572 206	194 802 177

20 largest shareholders at 31 Mar 2024

	Holding	Stake
FERNCLIFF LISTED DAI AS	16 655 404	23.9%
TITAN VENTURE AS	2 988 661	4.3%
DALLAS ASSET MANAGEMENT AS	2 467 200	3.5%
JOAR AARENES	2 411 185	3.5%
ARRIBA INVEST AS	2 290 500	3.3%
SRK CONSULTING AS	1 770 947	2.5%
ERIK SKAAR OPDAL	1 695 200	2.4%
Nordnet Bank AB	1 654 049	2.4%
TRUDE HALVORSEN	1 079 789	1.6%
HANEKAMB INVEST AS	1 055 347	1.5%
EXCESSION AS	900 000	1.3%
DATUM AS	854 291	1.2%
MIDDELBOE AS	750 257	1.1%
KRISTIAN FALNES AS	700 000	1.0%
Danske Bank A/S	591 097	0.8%
LARS HUGO BRAADLAND OLSEN	574 850	0.8%
LCS AS	551 801	0.8%
JAN ARNE CHRISTENSEN	524 675	0.8%
BJØRN ASLE ALEXSANDER TEIGE	485 500	0.7%
NORDLYS TRADING AS	450 000	0.6%
Total 20 largest shareholders	40 450 753	58.1%
Other shareholders	29 121 453	41.9%
Total	69 572 206	100.0%

Shares held by related parties

	Holding	Stake	
FERNCLIFF LISTED DAI AS	16 655 404	23.9%	Related to Øystein S. Spetalen, Member of the Board in Arribatec Group ASA
HANEKAMB INVEST AS	1 055 347	1.5%	Related to Martin Nes, Chairman of the Board in Arribatec Group ASA
FINANCE RESOURCES GJ AS	360 609	0.5%	Related to Geir Johansen, CEO of Arribatec Group ASA
TERJE MJØS HOLDING AS	150 000	0.2%	Related to Terje Mjøs, Member of the Board in Arribatec Group ASA
KJØLVIK INVEST AS	37 935	0.1%	Related to Ole-Jakob Kjølvik, COO of Arribatec Group ASA
SICUBI AS	24 072	0.0%	Related to Bente Brocks, CFO (interim) of Arribatec Group ASA
HELLEBUST, KRISTIN	22 728	0.0%	Related to Kristin Hellebust, Member of the Board in Arribatec Group ASA

Note 09 Interest bearing debt

NOK thousand

Debt financial institutions	Type	Currency	Facility limit	Interest rate	Year of maturity	31 Mar 2024	31 Dec 2023
Danske Bank	Revolving credit facility	NOK	20 000	NIBOR+2.75%	2024	12 663	19 458
DLL	Leasing & finance company	NOK		4.5%	2024	0	19
Bank Intesa, Italy	Unsecured bank facilities	EUR		EURIBOR+1.95%-2.40%	2027	7 644	7 896
Bank Progetto, Italy	Unsecured bank loan	EUR		EURIBOR+5%	2025	3 204	3 671
Bank Carige, Italy	Unsecured bank loan	EUR		1.3%	2027	5 478	5 681
Bank Passadore, Italy	Unsecured bank loan	EUR		EURIBOR+1.5%	2028	2 599	2 663
Total						31 588	39 388

	Credit facilities	Other borrowings	Total
Balance at 1 Jan 2023	6 779	24 431	31 211
Proceeds from loans and borrowings	19 686	0	19 686
Repayment of loans and borrowings	(7 009)	(6 173)	(13 183)
Total changes in financial cashflow	12 677	(6 173)	6 504
Translation difference	2	1 672	1 674
Balance at 1 Jan 2024	19 458	19 930	39 388
Repayment of loans and borrowings	(6 795)	(1 817)	(8 612)
Total changes in financial cashflow	(6 795)	(1 817)	(8 612)
Translation difference	0	812	812
Total interest bearing debt, end of period	12 663	18 925	31 588

APMs, terms and abbreviations .

NOK thousand	For the quarter end		Full year 2023
	31 Mar 2024	31 Mar 2023	
EBITDA	12	5 286	24 463
One-time payment ¹	1 098	0	0
Adjusted EBITDA	1 110	5 286	24 463

¹ Payment in relation to severance pay

APM cost is considered as one-time and not part of the ongoing business and are therefore adjusted to show an EBITDA mirroring the underlying business.

KPI definition

APM/KPI	Definition
Gross profit	Operating revenue less materials, software and services
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
Adjusted EBITDA	EBITDA, adjusted for one-time payments
Equity ratio	Equity as a percentage of total assets

Terms and abbreviations

BA	Business Area
BizS	BA Business Services
BoD	Board of Directors
BPM	Business Process Management
Cloud	BA Cloud
EA&BPM	BA Enterprise Architecture & Business Process Management
EBIT	Operating profit, Earning before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EPS	Earnings Per Share

FTE	Full Time Equivalent
Hspt	BA Hospitality
IFRS	International Financial Reporting Standards
Marine	BA Marine
NOK	Norwegian Krone
Opex	Operating expenses
RR	Recurring revenue, derived from sale of services and solutions through subscription models this reporting period
SaaS	Software as a service
Solaas	Solution as a service

A.

Arribatec is a global supplier of digital business solutions that help our customers achieve competitive advantage through innovative use of IT.

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Next event

27 May 2024

Annual General Meeting

15 August 2024
Q2 report

Contact: ir@arribatec.com