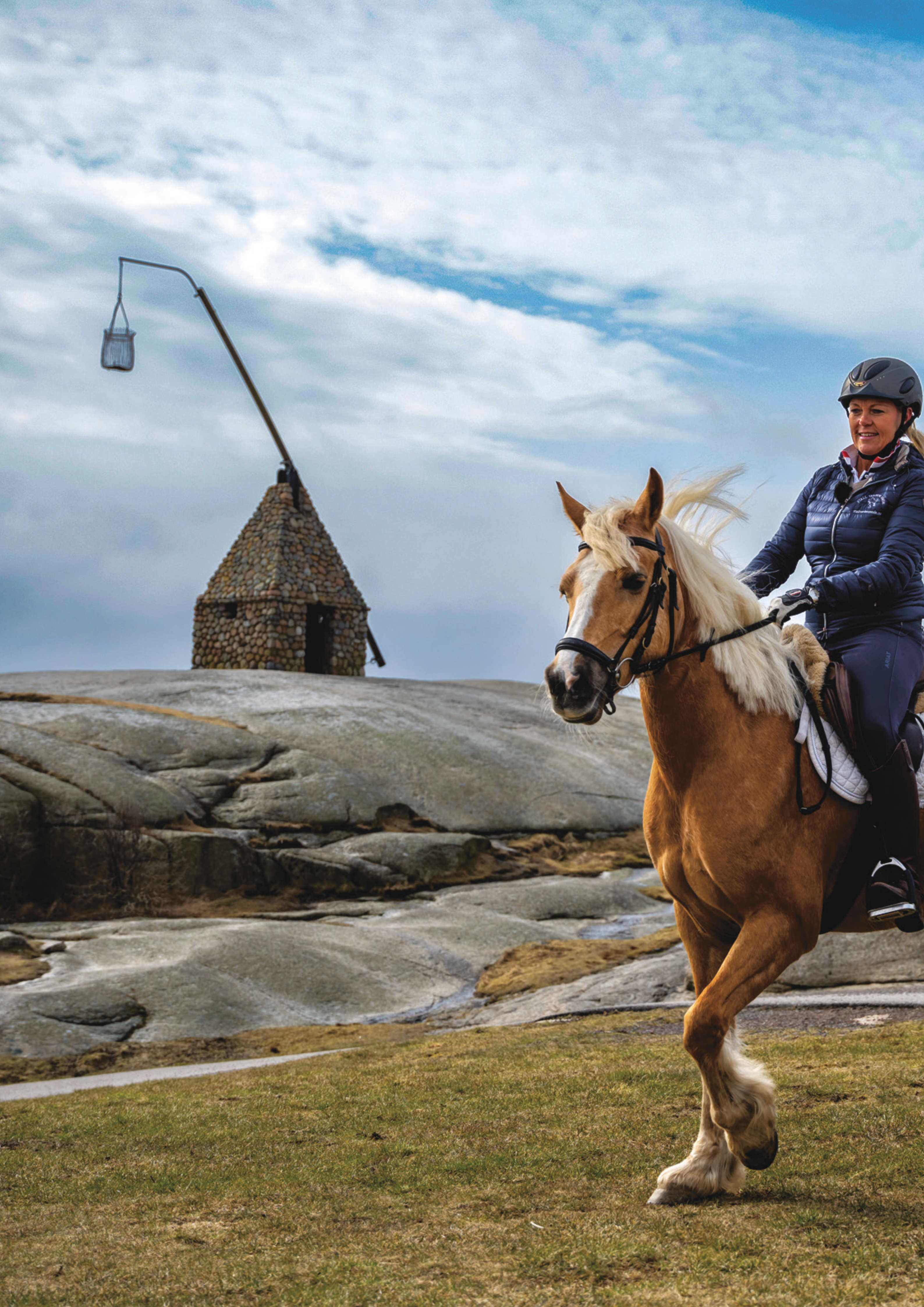
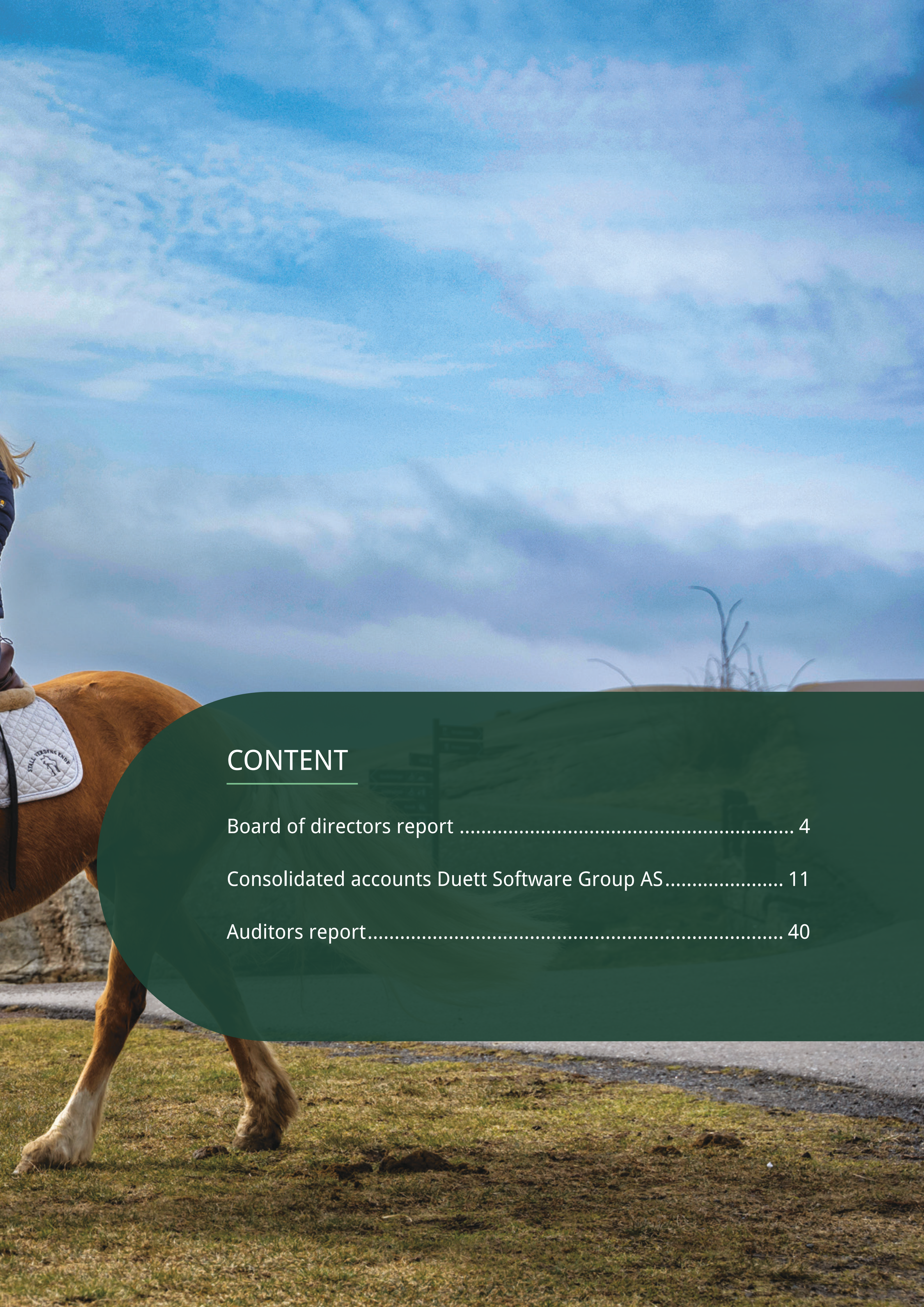
ANNUAL REPORT 2022

Duett





CONTENT

Background and operation

Duett Software Group AS (the "Company") is the owner of Duett AS in Norway and Skyhost Aps in Denmark (together the "Subsidiaries"). The Company and its Subsidiaries is the "Duett Software Group" or "the Group". Duett Software Group AS is owned by Duo Holdings AS. Duo Holdings AS is owned by AKKR as majority owner together with management and employees of Duett AS and Skyhost.

STRATEGY

The group's main strategy is to develop and offer software and hosting in the Norwegian and Danish markets. Duett AS operates in Norway and is the provider of software and hosting services to accounting offices and their customers. SkyHost Aps operates in the Danish market and is a provider of task management, fleet management and time registration software to municipalities, contractors and leasing companies. Duett Software Group AS acquired SkyHost Aps on 16 April 2021. The acquisition rationale for Skyhost was to increase the Groups breadth of software offering, expand the group's presence in a new geography and cross-sell SkyHost's functionality to customers of Duett AS in Norway.

In both the Norwegian and Danish markets, we offer modern solutions based on future-oriented technology and which are developed in-house. The uniqueness of the solutions, value-added functionality, deep industry expertise and high customer service have differentiated Duett Software Group from others in the market.

The strategy of the Group is to continue to leverage these assets with both our existing products and new initiatives to further increase the group's presence in the market

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ENVIRONMENT

The group is committed to ensuring that its operations are safe and do not harm either the employees or the natural environment. The group also strives to provide all employees with a healthy and safe working environment. Quality, health, safety and the environment are integral aspects of the Group's activities, and systems are in place to monitor and follow up any accidents or incidents. The nature of the business involves a low risk of pollution of the external environment. The most critical input factor with regard to the environment is electricity.

CORPORATE GOVERNANCE

Board of Directors and management are committed to promoting good corporate governance. The Group believes that good corporate governance builds trust among shareholders, customers and other stakeholders, and thus supports maximum value creation over time.

Management and organization regularly adapt to ensure the Group is equipped to effectively manage all obligations to bond holders, customers, employees, authorities and other stakeholders.

DIALOGUE BETWEEN THE COMPANY AND ITS STAKEHOLDERS

The communication between the company and shareholders primarily takes place at the Company's Annual General Meeting and via company announcements.

THE GENERAL MEETING AND THE BOARD OF DIRECTORS

The General Meeting has the final authority over the Company. The Board of Directors emphasize that shareholders are given detailed information and an adequate basis for the decisions to be made by the General Meeting. The General Meeting elects the Board of Directors, which currently consists of four members.

The Board of Directors of Duett Software Group is the same in 2022 compared to 2021.

The Board members are:

- Chairman of the Board:
  Adam Dawid Malinowski (b. 1986)
- Board member:
  Bjørnar Håkensmoen (b. 1969)
- Board member:
  Maurice Andre Hernandez (b. 1981)
- Board member:
  Rachel Lee Spasser (b. 1967)

Duett Software Group has Board insurance with a coverage of 50 mnok.

AMENDMENT OF ARTICLES OF ASSOCIATION

The company is in the process of surveying its suppliers in accordance with the requirements of the Transparency Act. The deadline for submitting a report on the Transparency Act is 30 June 2023. The report will be published on www.duett.no

BOARD RESPONSIBILLITIES

The Board of Directors' main tasks include participating in, developing, and adopting the Group's strategy, performing the relevant control functions and serving as an advisory body for the executive management. The Board reviews and adopts the Group's plans and budgets. Items of major strategic or financial importance for the Group are items processed by the Board. The Board is responsible for hiring the CEO and defining his or her work instructions as well as setting of his or her compensation. The Board periodically reviews the Group's policies and procedures to ensure that the Group is managed in accordance with good corporate governance principles, upholding high ethics.

SOCIAL RESPONSIBILITY

The company's Board of Directors and management have implemented guidelines for values and ethics. The goal is to create a corporate culture that contributes to good business standards. Raising awareness of the guidelines has been the company's main action in this area. The Group has not had any known violations of the policy.

The Board of Directors receives regular financial reports on the Group's business and financial status.

"The company also strives to provide all employees with a healthy and safe working environment"

FINANCIAL REPORTING

The Board of Directors receives regular financial reports on the Group's business and financial status.

Notification of meetings and discussion of items
The Board schedules regular meetings each year. Ordinarily, the Board meets four times a year. Additional meetings may be convened on an ad hoc basis.

All Board members receive regular information about the Group's operational and financial progress in advance of the scheduled Board meetings. The Board members also regularly receive operations reports and participate in strategy reviews. The Group's business plan, strategy and risks are regularly reviewed and evaluated by the Board. The Board Members are free to consult the Group's senior executives as needed. Ordinarily, the Chairman of the Board proposes the agenda for each Board meeting. Besides the Board Members, Board meetings are attended by the executive management. Other participants are summoned as needed. The Board approves decisions of particular importance to the Group including the strategies and strategic plans, the approval of significant investments, and the approval of business acquisitions and disposals.

CONFLICTS OF INTEREST

In a situation involving a member of the Board personally, this member will exclude him or herself from the discussions and voting on the issue.

The Board's self-evaluation
The Board's composition, competencies, working methods and interaction are discussed on an ongoing basis and evaluated formally on an annual basis. The composition of the Board is considered appropriate in terms of professional experience and relevant special competences to perform the tasks of the Board of Directors. The Board of Directors continuously assesses whether the competencies and expertise of members need to be updated.

THE TRANSPARENCY ACT

The company is in the process of surveying its suppliers in accordance with the requirements of the Transparency Act. The deadline for submitting a report on the Transparency Act is 30 June 2023. The report will be published on www.duett.no.

EMPLOYEES, MANAGEMENT AND THE BOARD OF DIRECTORS

During 2022 Duett AS increased the number of employees from 112 to 117, represented by 87 men and 30 women. The increase in employees is part of a strategic initiative to increase the capacity of the development department in order to be even more proactive in the development of a future-oriented software. Skyhost Aps have 19 employees, represented by 16 men and 3 women at the turn of the year.

Duett Software Group AS has worked continuously through 2022 to ensure a common corporate culture across the group. The company practices a policy of equal treatment of employees and promotes a positive working environment and sees this as the key to being an attractive employer. No accidents or injuries were registered in 2022. The sickness absence rate for 2022 was 4,5% (4%). To ensure that our employees reach their full potential we encourage personal development and learning by providing continuous training and education. The Group also had an ongoing leadership program in 2022 for a selected group of employees. The program is designed to develop talents who can take more responsibility in the future.

EQUALITY REPORT

The right to equality is the right of all human beings to be equal in dignity, to be treated with respect and consideration and to participate on an equal basis with others in the work life. We work actively, purposefully and systematically to promote equality and prevent discrimination on the basis of gender, pregnancy, maternity or adoption leave, caregiving duties, ethnicity, religion, beliefs, disability, sexual orientation, gender identity, gender expression, or combinations of these grounds. The topic of gender equality and discrimination work is a working area for the working environment committee in the company.

The work on gender equality includes recruitment, pay and working conditions, promotions, development opportunities, facilitation and the possibility of combining work and family life. In connection with the recruitment of staff, candidates are selected on the basis of the qualification principle and all announcements are free of discriminatory variables.

CHRO and CEO have reviewed all the companies' guidelines in the various personnel policy areas. This is also followed up by HR through ongoing follow-up work throughout the year.

ANALYSIS

To ensure our efforts to promote equality and prevent discrimination, analyses are carried out at least four times a year. This is in connection with year-end, annual salary adjustments and reports to our owners. An employee survey has been conducted. We also decided that the annual employee survey will be followed up with three smaller surveys throughout 2023. This means that from 2023, one main survey and three pulse surveys will be conducted to get an even better picture of our employees' job satisfaction.
To further strengthen the analysis work, a new HRIS solution has been procured and will be implemented January 2023. This HR system gives us better capacity to make data-driven analyses, assessments and decisions that support our equality work.

WHISTLEBLOWER

We have also made it possible for employees to report censurable conditions in a simple and responsible manner through a whistleblowing solution to Ernst & Young AS.

EMPLOYMENT CONDITIONS

We have a clear policy for our employees to be offered permanent full-time positions. In 2022, we had no temporary employees and only 8% of the employees had a part-time position. Men make up 70% of the part-time positions. The part-time positions are voluntary. Our employees also have access to comprehensive health insurance that ensures our employees good health services in physical and mental health. In the autumn of 2022, we started to provide a new low-threshold service within mental health care.

GENDER BALANCE

As with other tech companies, we have a to low percentage of women. The total gender balance in the company was 25,6% women and 73,4 % men. Although we strive to create a good gender balance, female candidates do not appear in our recruitment processes for technical positions. The board of Duett Software Group AS has consisted of four members, 1 of whom were women.

SALARY BALANCE

Our Salary Policy stipulates that the determination and adjustment of pay must consider the following aspects:

1. The company's financial situation
2. Competition in the recruitment market
3. The qualification of the employee or candidate
4. The employee's performance
5. Feedback from the employee

In order to carry out an objective analysis of the gender balance in terms of pay, the positions are classified based on five levels (Individual Contributor 1-5). The IC levels are based on the principle in the salary policy that positions at each level are assessed based on the same criteria (competition in the recruitment market, qualifications, the extent to which the position is results-driven). The management team is excluded due to few leaders on the different management levels.

GOING-CONCERN ASSUMPTIONS

The Board of Directors confirms that the assumption of a going-concern is met and that the annual financial statements have been prepared in accordance with this assumption.

Financial results

Duett Software Group AS is the holding company for the group and is owned by Duo Holdings AS. Duo Holdings AS have presented consolidated accounts in accordance with Norwegian GAAP and for all practical purposes is the consolidated accounts for Duo Holdings AS the same as Duett Software Group AS. The main difference is bank deposits in Duo Holdings AS.

2022
REVENUE

Total revenues for 2022 increased by 7,5% to NOK 264.3 million (NOK 245.9 million)

OPERATING EXPENCES

The total operating expences amounted to NOK 289.2 million (NOK 263.4 million).
The salary and personnel expences for 2022 was NOK 84.1 million (73.0) which is up 15.2% compared to 2021. Measured as a percentage of total revenues for the whole group, salary and personnel expences is stable with 29.7% in 2021 and 31.8% in 2022.
Depreciation and amortization increased from NOK 94.4 million in 2021 to NOK 100.8 million in 2022.
Other operating expences increased from NOK 17.7 million in 2021 to NOK 29.6 million in 2022.

NET FINANCE

Net finance for 2022 was negative NOK 37.7 million (NOK 27.9 million). Net finance both years are primarily interest expences, and the increase in interest expences was primarily due to higher interest rate.

PROFIT AND LOSS AND INCOME TAXES

Loss before tax was NOK 62.6 million in 2022 compared to loss before tax of NOK 45.4 million in 2021. Income tax was a net benefit of NOK 8.2 million in 2022 compared to NOK 6.2 million in 2021.
Loss after tax was NOK 54.4 million compared to NOK 39.3 million in 2021.

CASH FLOW

Cash flow from operating activities
Duett Group had a positive cash flow of NOK 55.9 million in the period between January and December 2022 compared to NOK 79.3 million in 2021.

Net cash flow from investments was NOK -23.7 million (NOK -118.5 million)
Duett Group acquired Skyhost Aps in Denmark in April 2021 for total purchase price of NOK 164.6 million, of which NOK 102.8 was settled in cash and NOK 61.8 million was settled in shares (see Note 22). Duett Group capitalized a total of NOK 21.7 of employee expences and consultancy related to product development in 2022, compared NOK 19.3 million in 2021.

Net cash flow from financing activities in 2022 was NOK -47.2 million (NOK 111.6 million)
Total cash and cash equivalents available at the end of 2022 were NOK 58.8 million (NOK 73.0 million)

FINANCIAL POSITION

At the end of December 2022, Duett Software Group AS's total assets amounted to NOK 898.6 million (NOK 972.3 million). Non-current assets amounted to NOK 815.2 million (NOK 876.9 million). Current assets amount to a total value of NOK 83.4 million (NOK 95.4 million) of which NOK 58.8 million (NOK 73.0 million) is cash and cash equivalents. Accounts receivables amounted to NOK 14.5 million (NOK 15.2 million).

At the end of December 2022, Duett Group's non-current liabilities amounted to NOK 572.8 million (NOK 588.5 million). Of this, leasing obligations represented NOK 15.5 million (NOK 19.7 million) and were calculated in accordance with IFRS 16.

Current liabilities at the end of 2022 was NOK 71.1 million (NOK 83.3 million). Accounts payables amounted to NOK 11.7 million (NOK 12.2 million). Leases amounted to NOK 10.5 million (NOK 10.0 million). Prepaid revenue amounted to NOK 11.7 million (NOK 24.3 million). Other current liabilities at the end of 2022 were NOK 22.9 million (NOK 20.2 million).

EQUITY

Total equity amounted to NOK 254.6 million (NOK 300.5 million). The equity ratio is 28.4% (30.9%). See consolidated statement of changes in equity for details.

HOLDING COMPANY

The company had an operating revenue of NOK 31.4 million (NOK 38.7 million), which for both years are group contributions from subsidiaries. The operating profit for the year was NOK 28.2 million (NOK 36.0 million). Net financial items were negative by NOK 33.1 million (NOK 24.8 million), while the profit before tax was NOK -4.9 million (NOK 11.2 million) and profit after tax was NOK -8.9 million (NOK 6.5 million).

DIVIDEND

The company is in an expansion phase where investments in product, services and geographical expansion are prioritized and the Board therefore proposes that no dividends be paid for 2022.

RISK

The Group's regular business activities involve exposure to different types of risk. The group handles such risks proactively and the Board regularly analyzes its operations and potential risk factors and takes steps to reduce risk exposure. The Group has quality systems implemented in line with the requirements that apply to the business. Financial risk factors are discussed in Note 3.

The Board of Directors receives regular reports on financial results from the Group. The Board considers that risk management and internal control of the group is adequate in terms of the size and nature of the business. According to the law, annual meetings are held with the external auditor.

RESEARCH AND DEVELOPMENT

The company is developing its own software. The company develops financial systems with functionality adapted to different industries. The main industries are agriculture, real estate, contractors and craftsmen. Continuous development is crucial to ensure competitiveness in the future and thereby the basis of existence for the business. Carrying value of own developed software at the end of 2022 was NOK 47.1 million (NOK 48.0 million), which is the book value of self-developed software from the balance sheet in the company accounts. See note 12 for detailed information about capitalized and total costs for development.

OUTLOOK

This forward-looking statement reflects our current view of the outlook based on how we view today's operating results. The outlook is subject to risk and uncertainty as the views expressed relate to future events and circumstances.

The group plans to continue its growth through organic growth initiatives, cross-sell and geographic expansions opportunities in both Duett AS and SkyHost ApS.

We will continue to focus on developing our own innovative solutions that will modernize the way the accounting industry performs its services. We will also, through both proprietary solutions and partnerships, further develop the range of services that accountants can offer their customers in all industries. In terms of merger and aquisitions, we will continue to pursue interesting opportunities to strengthen our geographic presence and expand our solution offering.

Revenue
have increased to 264.3 in 2022 vs 245.9 in 2021

NOK 264.3 MILLIONS

No people have been laid off temporarily during COVID, which has been very important for us as a company.

RESEARCH AND DEVELOPMENT
We are increasing the number of employees in the development department to increase competitiveness

NOK 75.9 MILLIONS

The operating profit before deprecation and amortization was 75.9 in 2022 vs 76.8 in 2021

EFFECTS OF COVID AND A MORE UNSTABLE WORLD SITUATION AS A RESULT OF THE WAR IN UKRAINE

The period 2020 to 2022 have been extraordinary because of the global pandemic and the war in Ukraine. The unstable situation has led to more uncertainty and changed framework conditions. Although the situation has had little impact on the group's operations and performance, our employees have been introduced to a completely different working environment and employee safety has been one of our most important focus areas.
To ensure that we do our part to reduce the physical and psychological impact of the pandemic on our employees, we have had a clear strategy to take the necessary actions to avoid redundancies and downsizing. We already had the digital solutions required to continue our business as usual. Working remotely highlighted the need for adequate workspace, as well as the need for social interaction with our colleagues.
No people have been laid off temporarily, which has been very important for us as a group. We did not want to create uncertainty, but rather strengthen our commitment and show how we value our most valuable resources — our employees.

Tynset, April 20, 2023

Adam Malinowski
Adam David Malinowsky
Chairman of the board

Maurice Hernandez
Maurice Andre Hernandez
Board member

Rachel Spasser
Rachel Lee Spasser
Board member

Bjørnar Håkensmoen
Board member

Erik Harrell
Erik Harrell
CEO

Declaration by the Board of Directors

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2022 have been prepared in accordance with applicable standards and give a true and fair view of the Group's assets, liabilities, financial position and results of operations. We confirm that the Board of Directors report provides a true and fair view of the development and performance of the business and the position of the group, together with a description of the key risks and uncertainty factors that they are facing.

Tynset, April 20, 2023

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Adam David Malinowsky
Chairman of the board

Maurice Hernandez
Maurice Andre Hernandez
Board member

Rachel Spasser
Rachel Lee Spasser
Board member

Bjørnar Håkensmoen
Board member

Erik Harrell
Erik Harrell
CEO

Profit and loss

Consolidated statement of profit and loss	Notes	2022	2021
Revenue	5	264 323 704	245 887 952
Materials, software and services	13	74 720 266	78 358 520
Salary and personell costs	6	84 131 275	73 008 517
Other operating expences	7,8	29 564 171	17 715 939
Depreciation and amortizations	11,12	100 827 931	94 359 279
Operating expences		**289 243 642**	**263 442 255**
Operating profit/loss(-)		**-24 919 938**	**-17 554 303**
Finance income	9	1 010 019	27 906
Finance expences	9	38 721 185	27 952 607
Net finance		**-37 711 166**	**-27 924 701**
Profit/loss(-) before tax		**-62 631 105**	**-45 479 004**
Income tax expences	10	-8 219 220	-6 202 881
Profit/loss(-) after tax		**-54 411 885**	**-39 276 123**
Attributable to:			
Equity holders of the parent company		-54 411 885	-39 276 123
Consolidated statement of other comprehensive income			
Net profit/(loss) after tax		**-54 411 885**	**-39 276 123**
Items that will not be reclassified to profit and loss			
Foreign currency translation differences - foreign operations		8 582 296	-102 131
Other comprehensive income for the period, net of tax		**8 582 296**	**-102 131**
Total comprehensive income for the period		**-45 829 589**	**-39 378 254**
Attributable to:			
Equity holders of the parent company		-45 829 589	-39 378 254

Financial position

Consolidated statement of financial position (Amounts in NOK)	Notes	2022	2021	1 January 2021
ASSETS				
Non-current assets				
Property and equipment	11	16 059 616	16 203 819	18 427 914
Intangible assets	12	346 648 079	408 811 246	366 495 458
Goodwill	12	429 461 301	424 906 555	342 561 676
Right of use assets	8	23 879 318	26 978 774	30 377 023
Other investments		2 501	2 501	2 501
Total non-current assets		**816 050 815**	**876 902 894**	**757 864 571**
Current assets				
Inventory		1 482 607	1 865 154	215 369
Accounts receivables	15	14 460 781	15 204 740	9 260 467
Other receivables and prepayments	16	8 635 781	5 268 732	5 648 605
Cash and deposits	14	58 844 134	73 048 920	602 693
Total current assets		**83 423 303**	**95 387 546**	**15 727 134**
TOTAL ASSETS		**899 474 119**	**972 290 441**	**773 591 705**

EQUITY AND LIABILITIES	Notes	2022	2021	1 January 2021
Equity				
Share capital	19	3 493 200	3 493 200	3 000 000
Other paid in capital		368 770 887	368 770 887	307 499 987
Total paid in capital		**372 264 087**	**372 264 087**	**310 499 987**
Other equity and exchange differences				
Other equity and exchange differences		-117 592 647	-71 763 058	-32 384 804
Total other equity		**-117 592 647**	**-71 763 058**	**-32 384 804**
Total equity		**254 671 440**	**300 501 029**	**278 115 183**
Non-current liabilities				
Bonds	17	490 998 806	488 560 062	340 000 000
Lease liabilities	8	15 461 501	19 717 947	24 322 665
Deferred tax	10	66 369 115	80 178 317	66 580 556
Total non-current liabilities		**572 829 422**	**588 456 326**	**430 903 221**
Current liabilities				
Credit facility	14	0	0	3 394 327
Accounts payables		11 763 137	12 179 632	8 968 922
Lease liabilities	8	10 460 740	9 969 760	8 428 605
VAT and other public taxes		10 532 271	13 648 154	8 152 052
Current tax payable	10	4 581 237	3 078 761	5 958 562
Prepaid revenue	5	11 709 220	24 289 113	19 491 461
Other current liabilities	18	22 926 653	20 167 665	10 179 373
Total current liabilities		**71 973 257**	**83 333 086**	**64 573 302**
TOTAL EQUITY AND LIABILITIES		**899 474 119**	**972 290 441**	**773 591 705**

Tynset, April 20, 2023

Adam Malinowski

Adam David Malinowsky
Chairman of the board

Maurice Hernandez

Maurice Andre Hernandez
Board member

Rachel Spasser

Rachel Lee Spasser
Board member

Bjørnar Håkensmoen
Board member

Erik Harrell

Erik Harrell
CEO

Cashflow

Consolidated statement of cashflows (Amounts in NOK)	Notes	2022	2021
Operating activities			
Profit/loss(-) before tax		-62 631 105	-45 479 004
Taxes paid		-5 245 972	-5 958 562
Depreciation and amortization		101 351 375	94 359 280
Net finance		37 711 166	27 924 698
Change in:			
Trade receivables		985 932	-5 944 273
Inventory		476 801	-1 649 785
Trade payables		-441 951	3 210 710
Prepaid revenue		-12 983 210	4 797 652
Other net working capital		-2 500 335	8 075 263
Cashflow operating activities		**56 722 700**	**79 335 980**
Investing activities			
Capitalized development costs	12	-22 591 385	-19 274 454
Purchase of tangible and intangible assets		-1 999 666	-1 396 365
Net paid cash in business combination	22	0	-97 841 502
Casflow investing activities		**-24 591 051**	**-118 512 321**
Financing activities			
Bonds	17	0	500 000 000
Expences related to establishment of bond		0	-13 051 154
Repayment of debt	17	0	-340 000 000
Payment of lease	8	-10 225 724	-9 545 733
Paid interest		-36 953 009	-22 386 218
Net change credit facility		0	-3 394 327
Cashflow financing activities		**-47 178 733**	**111 622 568**
Net change in cash and cash equivalents		**-15 047 084**	**72 446 227**
Cash and cash equivalents at the beginning of period		73 048 920	602 693
Foreign currency translation differences for cash and cash equivalents		842 298	0
Cash and cash equivalents at end of period		**58 844 134**	**73 048 920**

Equity

Consolidated statement of changes in equty
(Amounts in NOK)

	Note	Share capital	Other paid in capital	Exchange differences	Other equity	Total Equity
Opening balance on January 1 2021		**3 000 000**	**307 499 987**	**0**	**-32 384 804**	**278 115 183**
New equity		**493 200**	**61 270 900**	**0**	0	61 764 100
Total comprehensive income for the period		**0**	**0**	**-102 131**	-39 276 123	-39 378 254
Closing balance on December 31 2021	**22**	**3 493 200**	**368 770 887**	**-102 131**	**-71 660 927**	**300 501 029**
New equity		0	0	0	0	0
Total comprehensive income for the period		0	0	8 582 296	-54 411 885	-45 829 589
Closing balance on December 31 2022		**3 493 200**	**368 770 887**	**8 480 165**	**-126 072 812**	**254 671 440**

NOTE 1

Corporate information

The Parent Company Duett Software Group AS with Norwegian corporate identity number 923 311 459, is a corporation domiciled in Norway with headquarter in Tynset, Norway. The consolidated financial statements include the company and its subsidiaries (together referred to as the "Group"). The board of directors authorised for issue the consolidated financial statements on 20 April 2022, to be approved by the general meeting.

Duett Software Group AS is the owner of Duett AS in Norway and Skyhost Aps in Denmark. Duett Software Group AS is owned by Duo Holdings AS. Duo Holdings AS is owned by Accel-KKR together with management and employees of Duett and Skyhost.

On 16 April 2021 The Group acquired 100% of the issued share capital of Skyhost Aps. See note 22 for more information. Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis.

COVID-19

Although Covid-19 has had little impact on the group's operations and performance, our employees have been introduced to a completely different working environment and employee safety has been one of our most important focus areas during 2021 and 2022. To ensure that we do our part to reduce the physical and psychological impact of the pandemic on our employees, we have had a clear strategy throughout 2021 and 2022 to take the necessary actions to avoid redundancies and downsizing.

We already had the digital solutions required to continue our business as usual. Working remotely highlighted the need for adequate workspace, as well as the need for social interaction with our colleagues. Our employees are our most valuable resource, and no employee has been laid off permanently or temporarily during 2021 and 2022.

NOTE 2

Summary of significant Accounting Principles

2.1 BASIS FOR PREPARATION

The consolidated financial statement for Duett Software Group AS have been prepared in accordance with International Financial Reporting Standards and relevant interpretations as adopted by the EU ("IFRS") and the Norwegian Accounting Act. The consolidated financial statement is based on the IFRS mandatory accounting standards effective 31 December 2022.

The consolidated financial statements are presented in Norwegian kroner (NOK). NOK is the functional currency of the parent company.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries. Control is established when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Business combinations are accounted for by using the acquisition method. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

There is a presumption that if the Group has the majority of the voting rights in an entity, the entity is considered as a subsidiary. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over the entity.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.
If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.3 BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition accounting method. Acquisition-related costs incurred are expensed and included in operating expenses. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair values at the acquisition date and deferred tax assets and liabilities which are recognized at nominal value.

Goodwill arising on acquisition is recognized as an asset measured at the excess of the sum of the consideration transferred, the fair value of any previously held equity interests and the amount of any non-controlling interests in the acquire over the net amounts of the identifiable assets acquired and the liabilities assumed.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in the consolidated statement of profit and loss as financial income or expense. If the contingent consideration is classified as equity, it will not be remeasured, and subsequent settlement will be accounted for within equity.

If the business combination is achieved in stages, the fair value of the Group's previously held equity interest in the acquire is remeasured to fair value at the acquisition date through the consolidated statement of profit and loss.

2.4 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer. The Group recognizes revenue when it transfers control of a good or service to a customer. Intercompany sales are eliminated.

CONSULTING SERVICES

The Group provides implementation and integration services under consulting contracts with customers. These services are mostly determined to be separate performance obligations. Most contracts have a variable pricing structure where the Group agrees to implement and integrate software for a fixed hourly rate agreed upon in the contract. Revenue is recognized as the service is delivered and is based on over time. Invoicing is done every month. The payment term is 10 days.

SOFTWARE AS A SERVICE (SAAS)

Software is provided over time to an end customer from a Data Center managed by The Group. The obligations in the SaaS contract are to offer a cloud-based access to the software (owned by the Group), maintenance of the utility of the software, including rights to updates and future releases. The revenue is based on a fixed price per client plus a variable price based on how many transactions the different clients have. The revenue is recognized in the period the clients have access and for transactions revenue in the period the transaction took place. The performance obligation is to stand-ready to provide the access to the software (that is continuously maintained and updated). Unspecified support is a separate performance obligation and is invoiced separately based on price per hour. Invoicing is done every month with pre- invoicing of the fixed price and post-invoicing of transactions. Saas contracts have a notice period of 3 months, with no minimum purchase obligation.
The payment term is 10 days.

HOSTING SERVICES

Hosting services helps customers host and operate their IT environments from the cloud. Hosting services are delivered to customers on framework contracts with duration 1-5 years, where revenue is calculated based on price per user with no minimum purchase obligation. Additional work above the agreed level is considered normal consulting services. The Group delivers an integrated set of services as defined in the hosting service agreement. The customer receives and consumes the benefits from the hosting services as the Group performs under the contract. Therefore, the performance obligation is satisfied over time and revenue is recognized straight-line. The contracts are quarterly pre-invoiced. The payment term is 10 days.

REVENUE FROM OTHER SERVICES

The Group to a limited extent provides maintenance services, support services and application management services under separate contracts, for a fixed fee. Revenue is recognized as the service is performed. Invoicing is done every month. The payment term is 10 days.

Revenue from sale of hardware
Revenue recognition takes place at the time control is transferred to the buyer, which is the time of delivery.

DEFERRED REVENUE

Deferred revenue is a consequence of pre-invoicing the hosting services quarterly.

2.5 GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attaching to the grants and that the grant will be received. When the grants are related to items in statement of profit and loss the grants is recognized in statement of profit and loss. When the grant relates to an asset, it reduces the carrying amount of the asset. The grant is then recognized in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

2.6 EMPLOYEE BENEFITS

The Group's pension obligations vary between countries depending on the local legislation and different pension systems. The Group only has defined contribution retirement benefit plans. Defined contribution retirement benefit plans are retirement plans where the company's payment obligations are limited to the fixed contributions. The retirement benefits for the individual employee is dependent on the contributions paid to the retirement plan or an insurance company by the employer, and the return of capital invested in the retirement fund. Consequently, it is the employee that holds the risk of return (that the return will be lower than expected) and the risk of the investment (the risk that the invested pension provision will not be sufficient to cover expected retirement compensation in the future). The obligations of the Company related to payments of defined contribution retirement plans are expensed in the statement of profit and loss as they are earned by the employee for services conducted on behalf of the employer during the period.

2.7 RESEARCH AND DEVELOPMENT COSTS

Expenditures on research and development costs that do not meet the criteria for capitalization are expensed as incurred. An intangible asset arising from development is recognized only when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity, management has committed itself to complete the asset, the technical feasibility of completing the asset has been demonstrated and the cost can be measured reliably. The software business in the group is related to development and sale of access to the software as a service. In Duett we work according to flexible methods and all product development takes place in iterations of 2-4 weeks, defined as a Sprint. Development activities eligible for capitalization are identified and coded as a specific N-Sprint. This assessment is made by the product owner (PO) and in consultation with the Chief Product Officer. Ongoing and periodic efforts required to maintain the product are classified as V-sprinters and represent activities that cannot be capitalized. When tasks in a Sprint are defined, the timekeeping system is updated with the current Sprint code for the employees who will work with these tasks and register hours according to this activity. After the end of the Sprint and after the timekeeping has been completed, the development manager checks the registered hours against the relevant N-Sprint and this is compiled and reported to the person responsible for accounting and the Chief Financial Officer.

The cost of the internally generated self-developed software comprise cost of employee benefits and consultancy arising from the generation of the asset.

The development is done according to the scrum methodology, which means that there is a continuous development and launch.

The assets are amortized over their expected useful life once the assets are available for use.

2.8 INCOME TAXES

Income taxes consists of current tax and deferred tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax asset and liability is recognized using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is recognized for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of goodwill.

A deferred tax asset is recognized to the extent that is probable that future taxable profit will be available against for which unused tax losses and unused tax credits can be utilized. A deferred tax asset arising from unused tax losses or tax credit is only recognized to the extent that the entity has sufficient taxable temporary differences or that there is convincing other evidence supporting the utilization of the tax losses and tax credits, including the impact of time restriction by local tax authorities. The carrying amount of deferred tax asset is reviewed at the end of each reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, when a legally enforceable right exists to set off tax assets against income tax liabilities and the deferred income taxes relate to the same taxable entity or taxation authority.

2.9 PROPERTY AND EQUIPMENT

Property and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Minor repairs and regular maintenance costs are expensed in the period in which they occur. The expected useful life and residual value, which are used in the depreciation calculation of tangible assets, are reviewed, and if necessary, adjusted annually. The depreciation methods and periods used by the group are disclosed in note 11.

2.10 INTANGIBLE ASSETS AND GOODWILL

2.10.1 Goodwill

Goodwill is measured at cost (residual) less accumulated impairment losses.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit. If the carrying amount of the unit exceeds the recoverable amount of the unit, an impairment loss is recognized.

2.10.2 Customer relationships, trade name and developed technology

Customer relationships, trade name and developed technology acquired in a business combination are recognized at fair value at the acquisition date. Assets from own development are capitalized at cost. Customer relationships, trade name and developed technology have a finite useful life and are carried at cost less accumulated amortization and impairment. Amortization is calculated using the straight-line method to allocate the acquisition cost over their useful life. The estimated useful lives are disclosed in note 11.

2.10.3 Impairment

The Group determine at least annually whether any indication of impairment exists. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is considered the higher of the fair value less costs to sell and value in use. Goodwill, other intangible assets with indefinite useful lives and intangible assets not yet ready for use are tested for impairment annually, irrespective of whether there is any indication of impairment.

2.11 FINANCIAL ASSETS AND LIABILITIES

The company has financial assets which primarily consist of accounts receivables and other short term receivables, accounts payables and bank deposits. Financial assets are initially recognized at fair value, except accounts receivables, then at amortized cost using the effective interest method adjusted for impairment.

2.11.1 Accounts receivables

Accounts receivables are initially measured at their transaction price. The Group measures expected credit losses based on historical information and specific assessments of individual customers.

2.11.2 Accounts payables and other payables

Accounts payables and other payables are initially measured at fair value and subsequently at amortized cost.

2.11.3 Cash and Cash equivalent

Cash and cash equivalents include cash at banks and on hand and other short term highly liquid investments with original maturities of three months or less.

2.11.4 Classifications

Non-current financial assets and non-current liabilities consist of items expected to be settled more than twelve months after the end of the reporting period. Current financial assets and current financial liabilities consist of amounts that are expected to be settled within twelve months after the end of the reporting period.

2.12 RIGHT OF USE ASSETS AND LEASE LIABILITIES

At the inception of a contract, the group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the lease commencement date, the Group recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for low value assets where the Group recognizes the lease payments as other operating expenses in the statement of profit or loss when they incur. The Group measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. Lease payments are discounted with the Group's estimated incremental borrowing rate as it cannot determine the rate implicit in the lease. For existing lease agreements there are no extension or termination options. Consequently, the lease term represents the non-cancellable period of the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment. The Group presents its lease liabilities as separate line items in the statement of financial position. The Group measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities.

2.13 SEGMENTS

The Chief Operating Decision Maker (CODM) is currently evaluated to be the Board of Directors (the Board) of the Company. The Group has historically had only one segment and the Board's evaluation is that this has not changed. There exists results from SkyHost ApS, but the

Board regards that these operating results have not been regularly reviewed by the Board to make decisions about resources to be allocated to the segment and assess its performance.
The Board may evaluate the internal reporting going forward, and the segment reporting may be changed in later period.

NOTE 3

Financial risk management objectives and policies

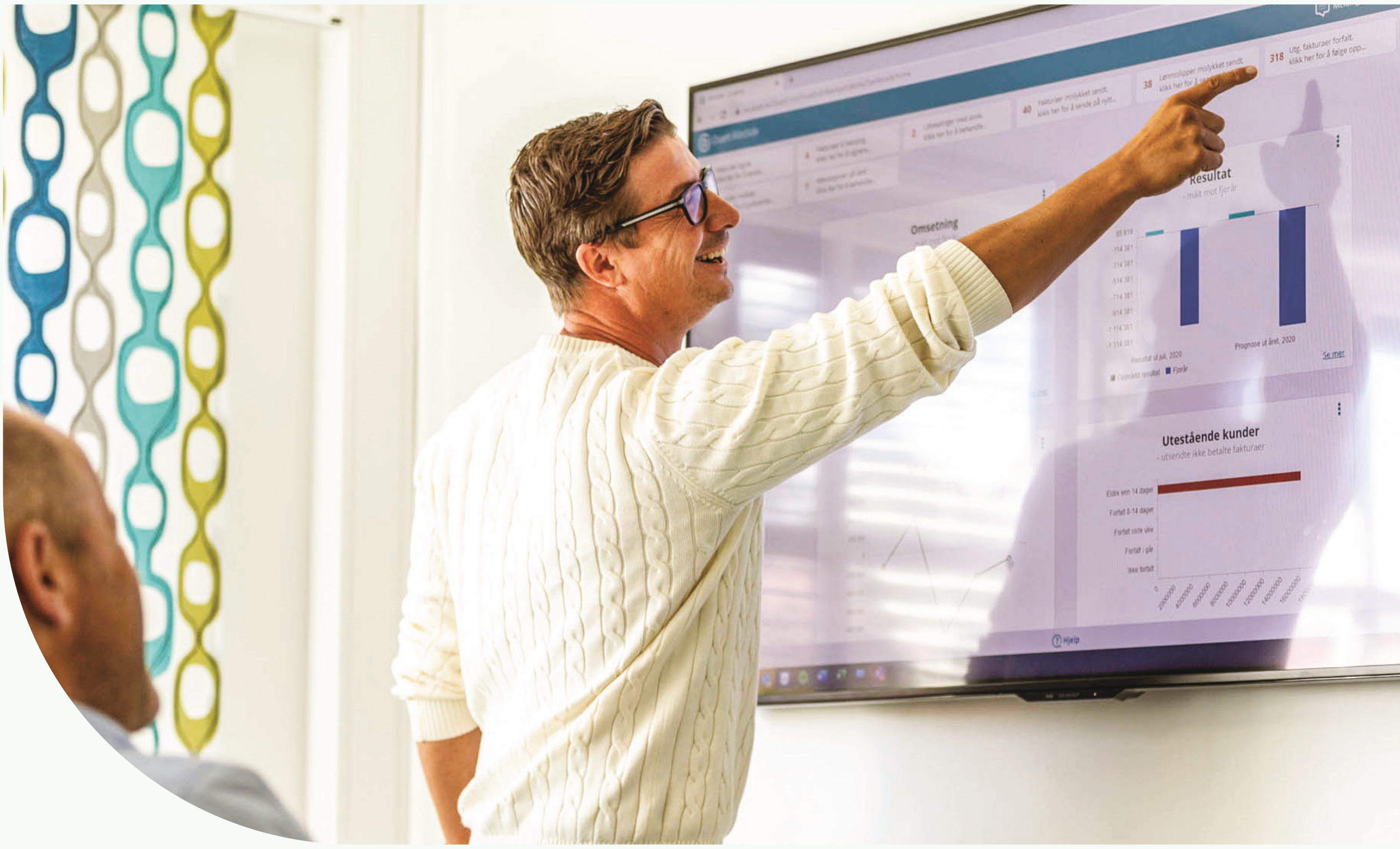
The Group defines risk as all factors which could have a negative impact on the ability of the Group to achieve its business objectives. All economic activities are associated with risk. The Group conducts risk management at both a Group and company level, where risks are evaluated in a systematic manner.

CURRENCY RISK

Part of the Groups business is in foreign currency, even though the dominating business is in NOK. Translating the financial position and statement of profit and loss of Group companies into NOK creates a translation exposure.

CREDIT RISK

Credit risks is the risk that counterparty will not meet its obligations under a financial contract or customer contract, leading to a financial loss. Maximum exposure to credit risk equals the carrying value of financial assets in the consolidated statement of financial position. In average each customer have small amounts outstanding and the losses have historically been very low.



INTEREST RATE RISKS

Interest rate risk is related to the risk the Group is exposed to from changes in the market's interest rate. The Group's main interest rate risk is related to the interest rate on the bond loan which amounted to 500 MNOK at 31 December 2022. The loan carries a variable interest rate based on the interbank rate (3 months) plus 5%. Any annualized increase/ decrease by 100 basis point would increase/decrease the Groups interest expense by 5 MNOK.

LIQUIDITY RISK

Liquidity risk is the potential loss arising from the Group's inability to meet its contractual obligations when due. The Group monitors its risk of a shortage of funds using cash flow forecasts. The Group has historically generated net positive cash flow from operating activities.

NOTE 4

Critical accounting estimates and judgements in terms of accounting policies

The preparation of the financial statements under IFRS and the application of the adopted accounting policies require that management make assessments, prepare estimates and apply assumptions that affect the carrying amounts of assets and liabilities, income and expenses. The estimates and the associated assumptions are based on experience and other factors that are assessed as being justifiable based on the underlying conditions. Actual figures may deviate from these estimates. The estimates and associated prerequisites are reviewed regularly. Changes in accounting estimates are recognized in the period the estimates are revised if the change only affects this period, or both in the period the estimates change and in future periods if the changes affect both the existing and future periods.

IMPAIRMENT

In accordance with the stated accounting policy, the group annually tests whether goodwill has suffered any impairment or more frequently for goodwill and other assets if impairment indicators are identified. The recoverable amount of the assets and cash generating units, including goodwill, has been determined based on value-in-use calculations. These calculations require the use of estimates. The value-in-use calculation is based on a discounted cash flow model. The cash flows are derived from the budgets for the next year and forecasts for the following four years and do not include significant investments that will enhance the performance of the assets being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as the expected future net cash-inflows (sensitive to estimates of sales and cost levels) and the growth rate used for extrapolation purposes.

The annual impairment test of goodwill is performed at operating segment level, as goodwill, profitability and operational performance are being monitored at this level. Currently, the Group's evaluation is that it has only one operating segment. The subsidiaries Duett AS and SkyHos Aps are initially regarded as individual cash-generating units (CGU). However, goodwill cannot be allocated on a non-arbitrary basis to individual CGUs within the operating segment. This is primarily because of the expected significant synergies that was some of the basis for the acquisition of SkyHost Aps. If goodwill could have been allocated, or later are reallocated to the individual CGUs, this may affect the impairment tests of goodwill.
Further details about goodwill and impairment reviews are included in note 12 Intangible assets.

BUSINESS COMBINATIONS

According to IFRS 3, Business Combinations are accounted for according to the acquisition method. As of the acquisition date, the acquirer shall recognize, separately from goodwill, the identifiable assets aquired and the liabilities assumed primarily initially measured at Fair Value. Identification and measurement of intangible assets requires judgement and use of assumptions and estimates. An intangible asset is identifiable if it meets either the separability criterion or the contractual-legal criterion. For the acquisition of Skyhost Aps in 2021 and of Duett AS in 2019 the following intangible assets have been identified:

- Trade name
  The critical assumptions are the selected royalty rate and the useful life.

- Developed technology
  The critical assumptions are the selected royalty and the useful life. The useful life is short due to major changes in technology and the pace of development in software.

- Customer relationships
  The critical assumptions are rate of customer reten tion, useful live, revenue growth rate of existing cus tomers and increase in estimated operating margins.

Part of the consideration for the aquisition of SkyHost ApS in 2021 was settled by issuance of shares in Duett Software Group AS.

Further details about business combination in 2021 are included in note 22 Business combinations.

USEFUL LIVES OF ASSETS

Many factors are considered in determining the useful life of assets, including:

- the expected usage of the asset by the entity

- typical product life cycles for the asset and public information on estimates of useful lives of similar assets that are used in a similar way;

- technical, technological, commercial or other types of obsolescence;

- the stability of the industry in which the asset oper ates and changes in the market demand for the products or services output from the asset;

- expected actions by competitors or potential competitors;

- the level of maintenance expenditure required to obtain the expected future economic benefits from the asset and the entity's ability and intention to reach such a level;

- whether the useful life of the asset is dependent on the useful life of other assets of the entity.

Estimates of useful lives affects depreciation and amortization of property, equipment, right of use asset and intangible assets. It also affects the carrying amounts of these assets and the carrying amounts may be impaired. Any changes in useful lives will affect depreciation and amortization prospectively. Goodwill is not amortized. The main recognized assets are intangible assets that are partially own developed but primarily have been recognized through business combinations.
See note 11 and 12 for useful lives for each group of assets and note 8 for right of use assets.

NOTE 5

Revenue

The market for the groups software and services are related to Norway for the business of Duett and Denmark for the business of Skyhost. Principles of revenue recognition are stated in accounting principles Note 2. The Group does not disclose aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period. This is because there are no contracts above one year with minimum contractual obligations.

SEGMENT

There has not been any segment profit reporting as per 31 December 2022.

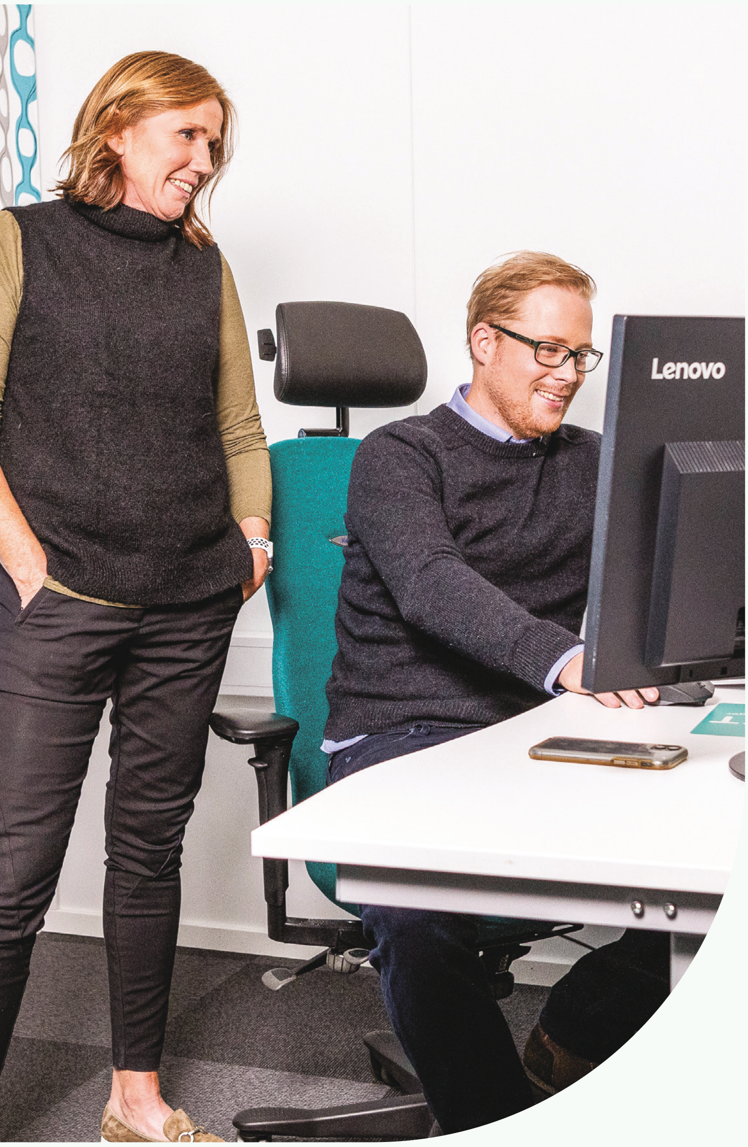
DISAGGREGATION OF REVENUE

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

Revenue	2022	2021
Norway	234 291 680	224 133 206
Denmark	30 032 024	21 754 746
Total revenue	**264 323 704**	**245 887 952**
Recurring revenue	238 153 317	220 368 460
Non-recurring revenue	26 170 387	25 519 492
Total revenue	**264 323 704**	**245 887 952**
SaaS	153 281 662	132 473 235
Other revenue	111 042 042	113 414 717
Total revenue	**264 323 704**	**245 887 952**

Prepaid revenue	2022	2021
Prepaid revenue	11 709 220	24 289 113

Prepaid revenue is related to prepayment for hosting services. Customers are pre-invoiced quarterly in the month before the quarter starts. All revenue that is registered as pre-invoiced is taken to revenue next quarter.



NOTE 6

Employees, Salaries and other Compensation

Specification of payroll expenses	2022	2021
Salary	**82 205 461**	**69 849 514**
Social security tax	8 093 131	6 665 646
Pension costs	5 891 156	4 326 963
Other personnel costs	3 527 802	2 581 331
Capitalized payroll expense	-15 586 277	-10 414 937
Total payroll expense	**84 131 275**	**73 008 517**

Full time equivalents	2022	2021
Male	101	96
Female	33	34
Total	134	130

Management remuneration 2022	Board remuneration	Salary	Benefits in kind	Pension cost	Total remuneration
Management					
Bjørnar Håkensmoen (CEO)	0	2 308 188	232 956	165 756	2 706 900
Members of the board					
Adam Malinowski	0	0	0	0	0
Maurice Hernandez	0	0	0	0	0
Rachel Spasser	0	0	0	0	0
Bjørnar Håkensmoen (see above)	0	0	0	0	0
Total remuneration	**0**	**2 308 188**	**232 956**	**165 756**	**2 706 900**

The CEO has a 6 months notice period and is entitled to a severance pay for 12 months in case of termination by the company. There is no loans or collaterals or other benefits given to any employees.

Management remuneration 2021	Board remuneration	Salary	Benefits in kind	Pension cost	Total remuneration
Management					
Bjørnar Håkensmoen (CEO)	0	2 238 172	238 531	111 909	2 588 612
Members of the board					
Adam Malinowski	0	0	0	0	0
Maurice Hernandez	0	0	0	0	0
Rachel Spasser	0	0	0	0	0
Bjørnar Håkensmoen (see above)	0	0	0	0	0
Total remuneration	**0**	**2 238 172**	**238 531**	**111 909**	**2 588 612**

The group meets the different local mandatory occupational pension requirement and operates defined contribution retirement benefit plans for all qualifying employees of its subsidiaries in Norway and Denmark. The pension savings involve a saving of 5%. The only obligation of the group with respect to retirement benefit plan is to make the specified contributions.

NOTE 7

Other operating expences

	2022	2021
Electricity	2 923 874	1 548 366
Cleaning and renovation	841 835	580 910
Software own use	3 934 879	1 769 771
External consultants, ref text below	13 366 671	18 725 240
Capitalized part of external consultants	-7 005 113	-8 859 513
Other	15 502 025	3 951 165
Total other operating expenses	**29 564 171**	**17 715 939**

Including audit fee, see specification below.

Approximately 5 mnok in external consultants 2021 is due to expenced aquisition-related costs. Skyhost was not part of the group in 2020 and is partly the reason for increased costs.

Specification of audit fees	**Statutory audit fee**	**Other assurance services**	**Tax services**	**Other services**	**Total**
2022					
KPMG AS	1 129 863	-	-	52 800	1 182 663
2021					
KPMG AS	395 996	-	-	232 029	628 025
	395 996	0	0	232 029	628 025

The amounts in the tables for audit fees are the amounts expensed 2021 and 2022. Amounts presented exclude VAT. Increased other services from auditor is due to IFRS and bond loan.

NOTE 8

Leases - Right of use assets and lease liability

Overview of changes to right of use assets and lease liabilities	Right-of-use assets	Lease liabilities
Opening balance 1 January 2022	**26 978 774**	**29 687 707**
Payments	0	(11 448 395)
Depreciation	(9 559 714)	0
Additions	6 246 981	6 246 981
Interest	0	1 222 671
Other / exchanges differences	213 277	213 277
Balance per 31 December 2022	**23 879 318**	**25 922 241**
Opening balance 1 January 2021	**30 377 023**	**32 751 269**
Payments	0	(11 041 885)
Depreciation	(9 880 420)	0
Additions	6 256 361	6 256 361
Interest	0	1 496 152
Other / exchanges differences	225 810	225 810
Balance per 31 December 2021	**26 978 774**	**29 687 707**

Maturity analysis: contractual, undiscounted cashflows	31 December 2022	31 December 2021
Current liabilities - Less than one year	**11 429 315**	**11 085 622**
Non-current liabilities		
1-2 years	8 058 744	10 072 893
2-3 years	3 178 037	6 486 315
3-4 years	2 055 158	1 883 539
4-5 years	1 796 772	730 978
More than five years	1 516 665	1 879 560
Total	**28 034 691**	**32 138 907**

Amounts recognized in the consolidated statement of profit and loss	2022	2021
Depreciation	9 559 714	9 880 420
Interest expense	1 222 671	1 496 494
Total	**10 782 385**	**11 376 914**

Amounts recognized in statement of cashflows	2022	2021
Interest payments	1 222 671	1 496 152
Payments of principal	10 225 724	9 545 733
Total lease payments	**11 448 395**	**11 041 885**

The expence relating to leases with low value	2022	2021
Low value	68 636	45 574

Right-of-use assets specified by type	Premises/ builidings	Equipment and machinery	Total
Balance per 1 January 2022	9 584 809	17 393 965	26 978 774
Depreciation	(2 352 110)	(7 207 604)	(9 559 714)
Additions	4 873 861	1 373 120	6 246 981
Other / exchanges differences	76 599	136 678	213 277
Balance per 31 December 2022	**12 183 159**	**11 696 159**	**23 879 318**
Balance per 1 January 2022	5 974 998	24 402 025	30 377 023
Depreciation	(2 133 759)	(7 746 660)	(9 880 419)
Additions	5 546 713	709 647	6 256 360
Other / exchanges differences	196 857	28 953	0
Balance per 31 December 2022	**9 584 809**	**17 393 965**	**26 978 774**

The leasing agreements for equipment and machinery are agreements to lease hardware to the data center and the rental period is from 3-5 years. Lease contracts for premises/buildings relates to the business premises in Elverum, Stjørdal and Folldal. There are no options to extend or purchase after the leasing period. There are no restrictions or covenants in the agreements.

NOTE 9

Financial income and expences

Specification of finance income	2022	2021
Interest income	1 010 019	27 909
Net currency gain	0	0
Other financial income	0	0
Total finance income	**1 010 019**	**27 909**

Specification of finance expences	2022	2021
Interest expenses	38 721 185	27 952 607
Net currency loss	0	0
Other financial expenses	0	0
Total finance expenses	**38 721 185**	**27 952 607**

NOTE 10

Taxes

Income tax expense in the consolidated statement of income	2022	2021
Income tax payable	6 545 830	3 078 763
Changes in deferred tax / deferred tax asset	-14 765 050	-9 281 645
Total income tax expense	**-8 219 220**	**-6 202 882**
Tax expense on Total comprehensive Income for the period	**-8 219 220**	**-6 202 882**

Reconciliation from nominal to effective tax rate	2022	2021
Profit/loss(-) before tax	**-62 631 105**	**-45 479 001**
Estimated tax expense with nominal tax rate, 22% of profit before tax (22%)	-13 778 843	-10 005 380
Tax effect of the following items:		
Unrecognised deferred tax assets related to interest deduction carried forward	5 105 487	1 959 009
22% of net permanent differences	454 136	1 843 489
Total income tax expense	**-8 219 220**	**-6 202 882**
Effective tax rate	13,12%	13,64%

	Temporary differences	
Specifications of temporary differences on wich deferred tax is recognised	**2022**	**2021**
Property, plant and equipment	-4 165 835	-4 285 141
Intangible assets	299 069 900	360 798 523
Accounts receivables	-150 000	-804 936
Pensions	12 947	7 446
Bond	8 953 706	11 439 938
Right of use assets	23 879 318	26 978 774
Lease liabilities	-25 922 241	-29 687 707
Interest deduction carried forward	0	0
Tax increasing temporary differences	**301 677 795**	**364 446 897**
Deferred tax liability	**66 369 115**	**80 178 317**

Changes in deferred tax	2022	2021
Opening balance at 1 January	80 178 316	66 580 556
Recognised in current year's profit	-14 765 050	-9 281 645
Deferred tax on new subsidiaries	0	22 879 406
Exchange differences opening balance deferred tax	955 849	0
Balance at 31 December	**66 369 115**	**80 178 317**

Deferred tax on new subsidiaries is related to deferred tax in Skyhost. The group has at 31 December 2022 a interest deduction carried forward of NOK 32.111.346 on which deferred tax assets have not been recognized due to uncertainty related to time of deduction. This is a change in deferred tax for 2021 and 2022, ref the specification of temporary differences above. The deduction period is limited to 10 years.

NOTE 11

Tangible assets

Property and equipment: 2022	Land and buildings	Equipment and machinery	Total
Cost			
Costs at 1 January	13 208 575	10 037 582	23 246 157
Additions through business combinations	-	-	-
Additions during the year	1 314 008	685 656	1 999 664
Acquisition cost per 31 December	**14 522 583**	**10 723 238**	**25 245 821**
Depreciation			
Opening balance 1 January	1 611 332	5 431 006	7 042 338
Depreciation during the year	774 938	1 368 929	2 143 867
Total depreciation per 31 December	**2 386 270**	**6 799 935**	**9 186 205**
Book value per 31 December	**12 136 313**	**3 923 303**	**16 059 616**
Useful life- years	15-20	3-5	
Depreciation schedule	Straight line	Straight line	

No impairment indicators have been identified for property, plant and equipment and therefore no full impairment test has been performed in 2021 for these specific balances.

2021	Land and buildings	Equipment and machinery	Total
Cost			
Costs at 1 January	13 208 575	8 641 478	21 850 053
Additions through business combinations		22 182	22 182
Additions during the year		1 373 922	1 373 922
			-
Acquisition cost per 31 December	**13 208 575**	**10 037 582**	**23 246 157**
Depreciation			
Opening balance 1 January	836 072	2 586 067	3 422 139
Depreciation during the year	775 260	2 844 939	3 620 199
Accumulated depreciation disposals			-
Total depreciation per 31 December	**1 611 332**	**5 431 006**	**7 042 338**
Book value per 31 December	**11 597 243**	**4 606 576**	**16 203 819**
Useful life- years	15-20	3-5	
Depreciation schedule	Straight line	Straight line	

No impairment indicators have been identified for property, plant and equipment and therefore no full impairment test has been performed in 2020 for these specific balances.

NOTE 12

Intangible assets

2022	Trade name	Aquired developed technology	Self-developed technology	Customer relations	Goodwill	Total
Cost						
Costs at 1 January	**30 900 000**	**119 000 000**	**79 440 324**	**328 000 000**	**424 906 555**	**982 246 879**
Additions during the year			21 731 901			21 731 901
Additions through business combinations						-
Disposals at cost						-
Acquisition cost per 31 December	30 900 000	119 000 000	101 172 225	328 000 000	424 906 555	1 003 978 780
Depreciation						
Opening balance 1 January	2 167 481	70 967 983	31 427 602	43 966 012	-	148 529 078
Amortization during the year	1 294 416	38 947 268	24 388 429	24 492 382		89 122 496
Exchange differences	15 829	297 614	-	211 162		524 605
Total depreciation per 31 Dec.	3 477 726	110 212 865	55 816 031	68 669 557	-	238 176 179
Exchange differences	187 354	-	856 948	3 848 247	4 554 746	
Book value per 31 December	27 609 627	8 787 135	46 213 142	263 178 690	429 461 301	775 249 896
Useful life- years	10/30	3	3	13	0	
Amortization schedule	Straight line	Straight line	Straight line	Straight line	None	

2021	Trade name	Aquired developed technology	Self-developed technology	Customer relations	Goodwill	Total
Cost						
Costs at 1 January	27 000 000	97 000 000	60 165 876	250 000 000	342 561 676	776 727 552
Additions during the year			19 274 448			19 274 448
Additions at purchase date	3 900 000	22 000 000		78 000 000	82 746 550	186 646 550
Disposals at cost					-401 671	(401 671)
Acquisition cost per 31 December	**30 900 000**	**119 000 000**	**79 440 324**	**328 000 000**	**424 906 555**	**982 246 879**
Depreciation						
Opening balance 1 January	974 990	33 138 433	12 723 682	20 833 312	-	67 670 417
Amortizaton during the year	1 192 491	37 829 550	18 703 920	23 132 700		80 858 661
Accumulated amortization disposals						-
Total depreciation per 31 Dec.	2 167 481	70 967 983	31 427 602	43 966 012	-	148 529 078
Book value per 31 December	**28 732 519**	**48 032 017**	**48 012 722**	**284 033 988**	**424 906 555**	**833 717 801**
Useful life- years	30	3	3	13	0	
Amortization schedule	Straight line	Straight line	Straight line	Straight line	None	

Useful life is for technology calculated to 3 years due to in general rapid technological development. Self-developed technology is related to booked amounts in the company accounts.

Development cost vs activation	2022	2021
Research and development costs	41 770 657	34 641 811
Capitalized costs	22 591 389	19 274 450
Capitalized percentage	54,1 %	55,6 %

Research and development expences is the total of personell related expences, consultancy expences and other expences related to research and development. The Group report this number in the internal reporting.

IMPAIRMENT TESTING

Goodwill and intangible assets in the consolidated financial position are mainly derived from excess value following the aquisitions of Duett AS in 2019 and Skyhost Aps in 2021. Recognized goodwill amounts to NOK 429,461,301 as of December 31, 2022. Goodwill is tested for impairment prior to preparation of the annual accounts. The test is performed annually and when there are indications of impairment. There were no impairment indications during 2022.

The recoverable amount has been determined estimating their value in use and compared to the carrying amounts. The calculation has been based on managements best estimate. The discount rates are derived as the cost of capital for a similar business in the same business environment.

The annual impairment test of goodwill is performed at operating segment level, as goodwill, profitability and operational performance are being monitored at this level. Currently, the Group's evaluation is that it has only one operating segment. The subsidiaries Duett AS and SkyHos ApS are initially regarded as individual cash-generating units (CGU). However, goodwill cannot be allocated on a non-arbitrary basis to individual CGUs within the operating segment. This is primarily because of the expected significant synergies that was some of the basis for the acquisition of SkyHost ApS. If goodwill could have been allocated, or later are reallocated to the individual CGUs, this may affect the impairment tests of goodwill. There were no impairment indications during 2022 for neither goodwill or intangible assets.

CASH FLOW PROJECTIONS AND ASSUMPTIONS

The budget for 2022 and a forecast for the following four years plus a terminal value was used to determine net present value. Discounted cash flows were calculated after tax and applying the WACC (Weighted Average Cost of Capital). Risk associated with cash flows is taken into account in the WACC. Estimated cash flows covering the period 2023-2027 consists of assumptions for 2023 and beyond, see below for details. The cash flow projections have been extrapolated based on expected growth rates based on historical experiences and future expectations.

KEY ASSUMPTIONS FOR THE VALUE IN USE CALCULATIONS

Risk free interest rate	3%
Risk premium	8.0%
Equity Beta	1
Tax rate	22%
WACC	11%

FORECAST ASSUMPTIONS

The cashflow projections is based on the following key assumptions:

- The growth rate used to extrapolate cash flow projections beyond the period covered by the most recent budgets and forecasts of 2%
- A growth rate from SaaS revenue of 20% per year for the forecast period which is in line with the historical growth rate
- A growth rate from other revenue elements of 1-3% per year that is in line with the price index
- A growth in sales and marketing expences of 10% per year
- A growth in other expences from 3-15% per year

We do not see that there is a reasonably possible change in a key assumption on which management has based its determination of the group's recoverable amount, which will lead to the group's book value exceeding the recoverable amount.

NOTE 13

Cost of materials, software and licenses

	2022	2021
Software and licences	68 363 010	61 582 739
Hardware for sale	4 925 625	7 611 608
Other costs	1 431 631	9 164 173
Total cost of materials, software and licenses	**74 720 266**	**78 358 520**

NOTE 14

Cash, cash equivalent and credit facility

	31 December 2022	31 December 2021	1 January 2021
Bank deposits	58 844 134	73 048 920	602 693
Total cash and deposits	**58 844 134**	**73 048 920**	**602 693**
Credit facility	0	0	3 394 327
Limit credit facility	35 000 000	35 000 000	35 000 000
Total available liquidity	**93 844 134**	**108 048 920**	**32 208 366**

The group has a credit facility of 35 mnok.

NOTE 15

Accounts receivables

	31 December 2022	31 December 2021	1 January 2021
Accounts receivables	15 300 141	16 010 222	9 560 467
Provision for bad debt	839 361	805 482	300 000
Total accounts receivables	**14 460 781**	**15 204 740**	**9 260 467**

Trade receivables - ageing	31 December 2022	31 December 2021	1 January 2021
Not due	12 289 979	7 729 878	4 094 159
1–30 days past due	733 778	7 737 134	4 951 989
31–60 days past due	409 149	124 458	60 175
61–90 days past due	242 979	34 078	51 357
More than 90 days past due	1 035 051	404 369	402 787
Total trade receivables	**14 710 935**	**16 029 917**	**9 560 467**

Trade receivables denominated in currency	31 December 2022	31 December 2021	1 January 2021
NOK	7 547 428	10 751 078	9 560 467
DKK	7 163 507	5 278 839	0
Other currency			0
Total trade receivables	**14 710 935**	**16 029 917**	**9 560 467**

NOTE 16

Other receivables and prepayments

	Non-current receivables			Current receivables		
	31 December 2022	31 December 2021	1 January 2021	31 December 2022	31 December 2021	1 January 2021
Prepaid expenses	0	0	0	7 349 090	4 971 396	5 358 159
Other receivables	0	0	0	1 286 691	297 336	290 446
Total other receivables and prepayments	**0**	**0**	**0**	**8 635 781**	**5 268 732**	**5 648 605**

The current prepaid expences is accrual of costs related to normal business.

NOTE 17

Borrowings

	Non-current receivables			Current receivables		
Interest-bearing liabilities	31 December 2022	31 December 2021	1 January 2021	31 December 2022	31 December 2021	1 January 2021
Credit facility	0	0	0	0	0	3 394 327
Borrowings from credit institutions	0	0	340 000 000	0	0	0
Bond	490 998 806	488 560 062	0	0	0	0
Total borrowings	**490 998 806**	**488 560 062**	**340 000 000**	**0**	**0**	**3 394 327**

	31 December 2022		31 December 2021		1 January 2021	
Interest-bearing liabilities	Currency amount	NOK amount	Currency amount	NOK amount	Currency amount	NOK amount
NOK	490 998 806	490 998 806	488 560 062	488 560 062	343 394 327	343 394 327
Total borrowings	**490 998 806**	**490 998 806**	**488 560 062**	**488 560 062**	**343 394 327**	**343 394 327**

Debt	Type	Currency	Facility limit	Interest rate	Year of maturity
Bond holders	Bond	NOK	1 500 000 000	Nibor+ 5%	2026
Sparebank 1 Østlandet	Revolving redit facility	NOK	35 000 000	5,77%	

In April 2021 the group refinanced the longterm debt by issuing a bond with a nominal value of 500 mnok. The difference between nominal value and booked value is related to costs for establishing the bond. There is nomandatory repayment of nominal value before maturity date.

The non-current financing from Sparebank 1 Østlandet were repaid by 340 mnok as part of this process.

The Issuer has resolved to issue a series of Bonds up to the Maximum Issue Amount of NOK 1,500,000,000. The

Bonds may be issued on different issue dates and the Initial Bond Issue were in the amount of NOK 500,000,000. The Issuer may at one or more occasions issue Additional Bonds until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue. It is a prerequisite that the conditions in the incurrence test are met.

The bond is listed on the Oslo Stock Exchange and as of 31.12.2022 has a market value per bond of NOK 93,75 compared to the nominal value of NOK 100.

PAYMENT OF INTEREST

The interest cost for the bond is paid quarterly in the first half of the first month in the quarter. Therefore, there is accrued interest cost in the statement of financial position.

VOLUNTARY EARLY REDEMPTION - CALL OPTION

(a) The Issuer may redeem all or some of the Outstanding Bonds (the "Call Option") on any Business Day from and including:

(i) the Issue Date to, but excluding, the First Call Date (24 months after the issue date) at a price equal to the Make Whole Amount;

(ii) the First Call Date to, but excluding, the Interest Payment Date in October 2023 at a price equal to 103.24 of the Nominal Amount (the "First Call Price") of the redeemed Bonds;

(iii) the Interest Payment Date in October 2023 to, but excluding, the Interest Payment Date in April 2024 at a price equal to 102.70 percent of the Nominal Amount of the redeemed Bonds;

(iv) the Interest Payment Date in April 2024 to, but excluding, the Interest Payment Date in October 2024 at a price equal to 102.16 percent of the Nominal Amount of the redeemed Bonds;

(v) the Interest Payment Date in October 2024 to, but excluding, the Interest Payment Date in April 2025 at a price equal to 101.62 percent of the Nominal Amount of the redeemed Bonds;

(vi) the Interest Payment Date in April 2025 to, but excluding, the Interest Payment Date in October 2025 at a price equal to 101.08 percent of the Nominal Amount of the redeemed Bonds;

(vii) the Interest Payment Date in October 2025 to, but excluding, the Interest Payment Date in January 2026 at a price equal to 100.54 percent of the Nominal Amount of the redeemed Bonds; and

(viii) the Interest Payment Date in January 2026 to, but excluding, the Maturity Date at a price equal to 100.00 percent of the Nominal Amount of the redeemed Bonds.

The call option is an embedded derivative, evaluated to have a fair value that approximates zero.

FINANCIAL UNDERTAKINGS (COVENANTS)

There is no compliance covenants.

INCURRENCE TEST

The Incurrence Test is met if the Leverage Ratio (Debt/EBITDA) is equal to or lower than:

(a) 5.50, from and including the Issue Date to, but excluding, 12 April 2023;

(b) 5.00, from and including 12 April 2023 to, but excluding, 12 April 2024; and

(c) 4.50, from and including 12 April 2024 to, but excluding, the Maturity Date,

This test is carried out every quarter and for any extension of the bond. The incurrence test shows a value of 6.4 as of 31.12.2022. This test is only relevant for extension of the bond and is not a compliance covenant for excisting bond.The test is based on consolidated figures for Duett Software Group AS.

SECURITY AND GUARANTEES

As Security for the due and punctual fulfilment of the Secured Obligations the following security is provided:

* all the shares in Duett Software Group AS
* all the shares owned by a Group Company
* trade receivables of each group Company
* any intercompany loan made to any Group Company
* any subordinated Loan, and
* guarantees from each group Company, which shall constitute senior obligations of such Material Group Company

NOTE 18

Other current liabilities

	2022	2021
Accrued wages and holiday pay	9 341 169	7 033 848
Accrued interest costs	8 947 852	6 266 666
Other accruals	4 637 632	6 867 150
Total other current liabilities	22 926 653	20 167 664

NOTE 19

Share capital

Share capital	Number of shares	Nominal price per share	Total nominal amount
1 January 2021	30 000	100	3 000 000
31 December 2021	34 932	100	3 000 000
31 December 2022	**34 932**	**100**	**3 493 200**

The shareholders of Duo Bidco AS	Number of shares	Company affiliation	Ownership
Duo Holdings AS	34 932	Holding company	100 %

All shares issued are fully paid and there is no restrictions related to the shares.

NOTE 20

Related parties

Related parties for Duett Software group are shareholders (note 19), subsidiaries (note 1) and CEO and board members (note 6). Intercompany balances and transactions between consolidated companies are eliminated in consolidated figures and are not included in this disclosure. There have been no transactions or balances between related parties in 2022 or 2021 except remuneration as described in note 6.

NOTE 21

Risk management

Credit risk		
Loss on receivables are recognized as displayed below;	**2022**	**2021**
Loss on trade receivables	121 322	97 095

The loss above is the actual loss on trade receivables and is not related to provision for loss.

FOREIGN CURRENCY RISK

The group have historically had their revenues in one currency. After the aquisition of Skyhost in April 2021 there is revenues in DKK as well, but Duett and Skyhost have revenues from their domestic market and in local currency. The foreign currency risk the group is left with is the currency effects on consolidation.

CREDIT RISK

Historically the credit loss have been very low for the group, ref above. We do not consider the credit risk to be material now or in the near future. See note 15 for more details for accounts receivables.

INTEREST RATE RISK

The interest rate on the bond financing is NIBOR plus 5%. The risk for the group is the variation in NIBOR. The effect for the group will, with a change in NIBOR of 1%, be 5 mnok on a yearly basis.

LIQUIDITY RISK

The group had an available liquidity of NOK 108.048.920 per January 1, 2022. The group is generating a positive cashflow every month and the cashflow have to decrease below 0 over time to make liquidity a material risk. This is not very likely and we do not consider the liquidity risk to be material now or in the near future. The nominal value of the bond of 500 mnok have maturity date in April 2026. There is no repayment before maturity date. The interest for the bond is paid quarterly. See note 17 for more details for the bond.

Maturity analysis for financial liabilities	less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years
Interest bond	41 300 000	41 300 000	41 300 000	11 541 370	
Repayment bond				500 000 000	0
Lease	11 429 315	8 058 744	3 178 037	2 055 158	1 796 772
Accounts payables	11 206 811				
VAT and other public taxes	10 535 832				
Tax payable	3 724 721				
Other current liabilities	21 615 710				
Total financial liabilities	**99 812 389**	**49 358 744**	**44 478 037**	**513 596 528**	**1 796 772**

NOTE 22
Business combinations

On April 16 2021 The Group acquired 100% of the issued share capital of Skyhost Aps. Details are provided in note 22 in the 2021 Financial statements.

NOTE 23
Subsequent events

After the reporting period ended on 31 December 2022 and up to the date these consolidated financial statements have been approved for issue, no events have been identified that require disclosure.

KPMG AS
Vangsveien 73
N-2317 Hamar

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Duett Software Group AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Duett Software Group AS, which comprise:

- the financial statements of the parent company Duett Software Group AS (the Company), which comprise the "Balanse" as at 31 December 2022, "Resultatregnskap" and "Kontantstrømoppstilling" for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- the consolidated financial statements of Duett Software Group AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position sheet as at 31 December 2022, the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance 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 International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Board of Directors.

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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 3 years from the election by the general meeting of the shareholders on 31 August 2020 October for the accounting year 2020.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Identification of indicators and Impairment of Intangible assets and Goodwill

Reference is made to Note 2.10 Intangible assets and goodwill, Note 4 Critical accounting estimates and judgements in terms of accounting policies Note 12 Intangible assets

The Key Audit Matter	How the matter was addressed in our audit
The group has recognized NOK 429 million in Goodwill and NOK 346 million in intangible assets as of 31st December 2022. Out of the NOK 346 million in intangible assets, NOK 47 million is self-developed technology recognized based on an assumption of future economic benefit. The remaining NOK 299 million of intangible assets are previously acquired through business combinations. The intangible assets are amortized based on their useful life and are subject of impairment test to the extent an indication of impairment has been identified. The identification process is important to ensure intangible assets are reflected appropriately. The process includes elements of judgement and consideration of internal and external factors. Goodwill of NOK 429 million are recognized from previous transactions. Goodwill is not amortized in accordance with IAS 36, but subject of an annual impairment test. The group has performed a value in use calculation to determine the recoverable amount. This is based on the most recent budget and a future growth assumption, discounted with the Group WACC. Performance of annual impairment test of Goodwill consist of several judgements and are highly dependent on managements assumptions. The judgements described in the preceding paragraphs combined with the material amounts involved makes the identification of impairment	Our procedures include among other • Made inquiries of management regarding the indicators they assess as possible impairment for relevant assets. • Evaluated management's indicator assessment on the basis of our knowledge of the business and other audit evidence during the audit. • Evaluated the valuation techniques, assumptions and data used by management in estimating the value in use. • Evaluated the appropriateness and likelihood of the sensitivities and their impact on the overall estimated value in use and assessed whether additional sensitivity analysis would have been appropriate. • Evaluated whether judgements and decisions made by management when estimating value in use are indicators of possible management bias. • Evaluated the completeness, accuracy and relevance of disclosures required by IAS 36.

triggers and value in use testing of Goodwill a Key Audit Matter.	

Other Information

The Board of Directors and the CEO (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 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 the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of the group we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 9845007554C7945DAC83-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as

management determines is necessary.

Auditor’s Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – “Assurance engagements other than audits or reviews of historical financial information”. The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company’s processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management’s use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Hamar, 28 April 2023
KPMG AS

Stein Erik Lund
State Authorised Public Accountant
(This document is signed electronically)

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Stein Erik Lund
State Authorised Public Accountant
On behalf of: KPMG AS
Serial number: 9578-5993-4-1583118
IP: 80.232.xxx.xxx
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