

Arribatec .

\ First half/Quarterly report
Q2 2023 .



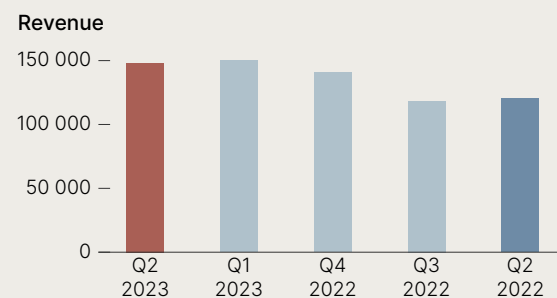


\ Contents .

<u>Highlights</u>	3
<u>Operation & sales</u>	4
<u>Financial review</u>	6
<u>Financial statements & notes</u>	9
<u>APMs, terms and abbreviations</u>	33

Highlights

Arribatec Group achieved strong financial performance in the first half of 2023, with a total revenue of NOK 298.2 million, representing an organic growth of 21% compared to the same period last year. In Q2 alone, the company generated NOK 148.2 million in revenue, experiencing a growth of 23% year-on-year. The Group's EBITDA for the first half of the year amounted to NOK 13.7 million, indicating a significant improvement of NOK 31.4 million compared to 2022. In the second quarter, the EBITDA reached NOK 8.4 million, surpassing the same period last year by an NOK 19.9 million. The company's Recurring Revenue (RR) continues the positive trend, increasing by NOK 14.3 million compared to the first half of the previous year, reaching NOK 104.7 million for H1 2023. Cash balance at the end of the quarter was 41.6m.



Key consolidated figures and ratios		Q2 2023	Q1 2022	Q4 2022	Q3 2022	Q2 2022	YTD 2023	Full year 2022
Revenue	TNOK	148 164	150 047	140 550	118 235	120 241	298 211	504 968
Gross profit	TNOK	113 334	115 441	113 825	88 312	90 229	228 776	389 934
EBITDA	TNOK	8 396	5 286	(9 716)	(6 671)	(11 489)	13 683	(34 107)
Adjusted EBITDA	TNOK	8 396	5 286	(4 478)	(6 775)	(11 261)	13 683	(25 090)
Operating profit/(loss), EBIT	TNOK	(4 219)	(6 342)	(26 266)	(20 386)	(24 752)	(10 561)	(90 339)
Net profit/(loss)	TNOK	(3 830)	(5 944)	(26 897)	(17 312)	(19 706)	(9 774)	(83 393)
Revenue growth y/y for the quarter/full year	%	23.2%	19.1%	21.2%	25.3%	15.1%	21.1%	22.0%
Gross profit margin	%	76.5%	76.9%	81.0%	74.7%	75.0%	76.7%	77.2%
EBITDA margin	%	5.7%	3.5%	(6.9%)	(5.6%)	(9.6%)	4.6%	(6.8%)
Adjusted EBITDA margin	%	5.7%	3.5%	(3.2%)	(5.7%)	(9.4%)	4.6%	(5.0%)
Earnings per share	NOK	(0.06)	(0.09)	(0.04)	(0.03)	(0.03)	(0.14)	(0.13)
Cash at end of period	TNOK	41 574	61 964	40 449	38 699	55 730	41 574	40 449
Equity	TNOK	277 058	278 471	281 927	309 362	324 873	277 058	281 927
Equity ratio	%	52.3%	50.2%	54.7%	55.6%	56.4%	52.3%	54.7%
Price per share at end of reporting period ¹	NOK	5 300	3 260	0 369	0 352	0 489	0 000	0.369
FTEs, employed	Number	334	335	353	367	353	335	353
No. of outstanding shares, beg. of period ¹	Number	69 057 322	690 573 217	688 528 217	684 903 064	584 903 064	690 573 217	584 903 064
New shares issued ¹	Number	0	3	2 045 000	3 625 153	100 000 000	3	105 670 153
No. of outstanding shares, end of period ¹	Number	69 057 322	69 057 322	690 573 217	688 528 217	684 903 064	69 057 322	690 573 217
Average number of shares, year to date	Number	69 057 322	69 057 322	658 988 513	648 756 580	629 101 959	69 057 322	658 988 513

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

\ Operation & sales .

Strong revenue growth of 23%

During Q2, Arribatec achieved a robust organic revenue growth of 23% compared to the same period last year, contributing to an overall cumulative growth of 21% for the first half of 2023. The notable drivers of this growth were EA & BPM and Cloud services.

Overall, Consulting services experienced significant expansion in H1, with a growth rate of 24%, now accounting for NOK 182.0 million of the total revenue, which stands at NOK 298.2 million.

Recurring Revenue also demonstrated positive momentum, increasing by 16% or NOK 14.3 million, reaching NOK 104.7 million. Half of this growth can be attributed to Cloud services.

We are pleased with our EBITDA performance, which exhibited substantial improvement from negative figures to positive NOK 13.7 million in the first half (NOK 6.8 million in Q2). The positive impact on earnings resulted from the integration and consolidation process undertaken in 2022, which streamlined

operations and created common infrastructure across the main entities.

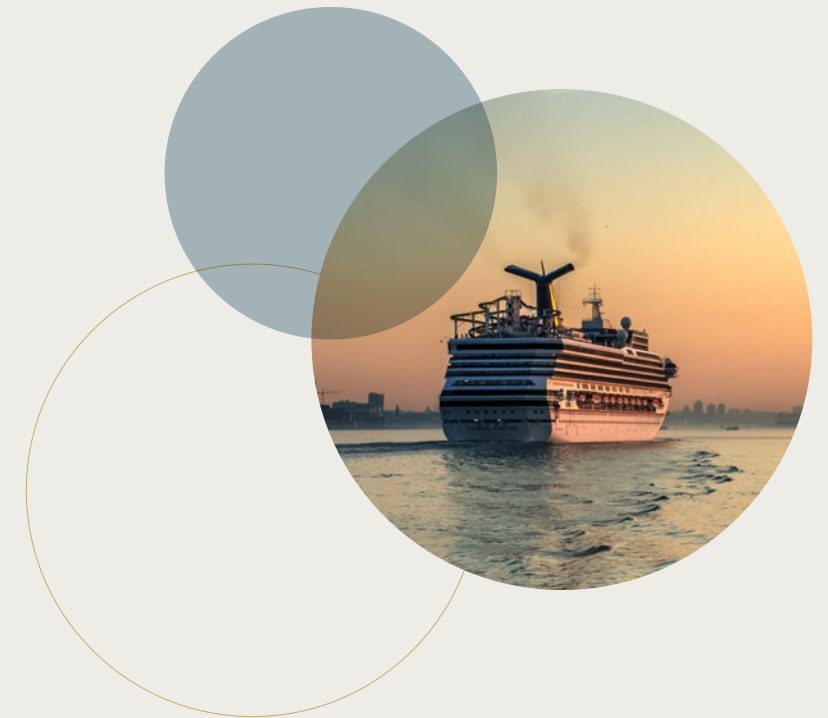
Moreover, internal resources, previously dedicated to internal projects in 2022, have now shifted back to chargeable work, further contributing to improved financial performance.

Lastly, the restructuring initiatives implemented in Arribatec Marine last year have yielded positive results, and the business unit is now back on track, growing profitably.

Overall, the Arribatec's solid growth, enhanced EBITDA performance, and strategic initiatives position us well for continued success in the market.

Business development

333 new sales contracts were signed in Q2-23 at a combined value of NOK 121m, including scope extensions and new agreements. The 5 largest contracts account for 37% of the new contracted volume. The total number of signed contracts for 1 half was 798.



Regionally, the Nordic remains the largest with 65% of the new contract volume in Q2. Value wise, the distribution is as follows for our three largest business areas:

Business services 49%, Cloud 17%, and EA&BPM 18%, Hospitality 6%, Marine 10%, and the top five industries are Civil engineering, Energy, Public sector, Maritime, and Higher education.

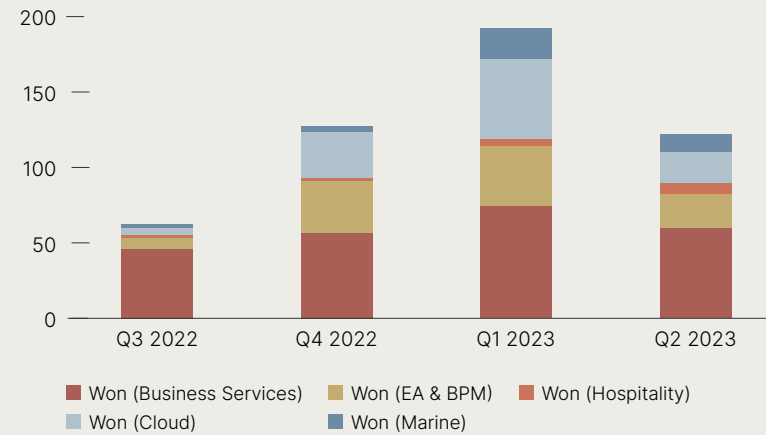
Performance in NOK

- Q3 2022 NOK 63 mill
- Q4 2022 NOK 127 mill
- Q1 2023 NOK 191 mill
- Q2 2023 NOK 121 mill

The total pipeline has grown from 445m (Q1) to 689m (Q2).

Business Development - signed Q2 compared to previous quarters

NOK mill



Financial review

Revenue

Arribatec Group's H1 YoY revenue growth was 21% and was reported at NOK 298.2m. The equivalent number for Q2 2023 isolated was 23% growth and revenue of 148.2m. Recurring revenue (RR) accounted for NOK 104.7m in H1 2023, or 35% of total revenue, where Region Norway delivered 61% of the total. Compared to H1 2022, RR increased by NOK 14.3m. In H1, consulting services accounted for NOK 182.0m of the total revenue, where Region Norway had NOK 89.1m, Europe NOK 74.4m and Americas NOK 18.6m. The corresponding number for Q2 was an increase compared to last year of NOK 16.3m in total.

Direct cost (COGS) for Material, software and services amounted to NOK 69.4m compared to first half last year of NOK 58.4m. Gross profit increased by NOK 41.0m to NOK 228.8m in H1 compared to last year. For the second quarter, gross profit increased by NOK 23.1m compared to Q2 2022.

Total operating expenses for H1 amounted to NOK 215.1m compared to NOK 205.2m same period last year, an increase of NOK 9.9m. For Q2 isolated, operating expense amounted to NOK 104.9m, an increase of NOK 3.2m compared to same

period last year. The main component of Operating expense is salary and personnel cost, amounting to appr. 83% of total operating expense. Salary expense includes a provision of NOK 1.3m for the 5% extra employee contribution in Norway.

EBITDA for the first half of 2023 was NOK 13.7m which is NOK 31.4m above the same period last year. The increase is explained by higher gross margin as a result of higher revenue. EBITDA margin H1 was 4.6%. No adjustments have been applied to the EBITDA in H1. The Q2 EBITDA was NOK 8.4m, and increase of NOK 19.9m compared to the same period last year.

Depreciation, amortization and impairment (D&A) amounted to NOK 24.2m for H1 compared to NOK 26.0m in same period 2022. The two main components of the D&A are amortizations of intangible assets from acquired companies (7.4m), internally developed software and technical software (7.4m), depreciation of fixed assets (1.4m) and depreciation of right-of-use assets such as office lease contracts calculated according to IFRS 16 (9.8m).

Finance, tax & net result

Net financial items for the first half of the year were NOK -1.6m

Revenue
+23%
NOK 148.2m vs. 120.2m



and calculated tax income for the same period was NOK 2.4m leaving a net loss after tax of NOK -9.8m for H1 2023.

The balance sheet

Total assets of the Group at the end of June 2023 were NOK 530.0m compared to 515.4m at the end of year 2022. Non-current intangible assets at the end of the period accounted for NOK 278.5m. Intangible assets consist of goodwill of NOK 207.7m, which stems from the acquisitions done by Arribatec since Q4 2020. Additionally, as at the end of period, NOK 30.6m of the purchase price paid for the companies was allocated as the value of the customer relations in those same companies. Finally, technical and custom-made software accounts for NOK 40.3m of the intangible assets. Total intangible assets at the end of 2022 were NOK 281.2m.

Current assets of NOK 188.5m consist of account receivables of 98.3m and cash balance at the end of the quarter of NOK 41.6m. Other receivables, inventory, contract assets and other current assets add up to NOK 48.7m. Total current assets at the end of 2022 were NOK 168.3m.

Non-current liabilities at the end of Q2 were NOK 65.7m, of which 17.8m were drawdowns on smaller revolving credit facilities in Italy. Lease liabilities related to office and equipment with a remaining lease period above twelve months calculated under IFRS 16 accounted for NOK 23.3m, while deferred tax

totalled to 9.6m. Total non-current liabilities at the end of last year was NOK 71.4m.

Current liabilities amounted to NOK 187.2m at the end of the quarter. Other current liabilities accounted for 94.4m. This item mainly includes accruals for employee tax and VAT. The total amount of other current liabilities at the end of last year was NOK 162.1m.

At the end of the quarter, total equity was NOK 277.1m, giving an equity ratio of 52.3%.

After the reverse split in March 2023, Arribatec has a total of 69 057 322 shares outstanding.

Cash flow and liquidity

Arribatec's cash flow from operating activities in H1 was positive with NOK 21.7m, which compares to negative 14.7m in H1 2022. The net change in accounts receivables and payables had a negative impact of NOK 17.9m, of which a receivable due to be paid by one single customer was not settled until July with NOK 12m. Furthermore, a change in other current accounts increased cash from operation by another NOK 27.1m. The main factor relates to contract liabilities. Deferred revenue appears on advanced invoicing to customers (annually, quarterly, or monthly), hence contract liabilities will increase when the customers are invoiced and will drop along with the

revenue being recognized in the profit and loss in the correct period. The effect from 31.12.22 to the end of Q1 was positive with NOK 35.5m and reduced by NOK 9.8m in Q2, this explain the main negative cash flow from operation in Q2 with NOK -12.4.m (-16m in Q2 -22) Net cash flow from investing activities was NOK -4.8m in Q2 and -NOK 2.9m for Q2. Of the capitalized assets, main part is capitalized development costs and purchased software. Net cash flow from financing was negative by NOK 16.9m (NOK 5.6m in Q2). Arribatec had NOK 41.6m in cash and cash equivalents at the end of the quarter.

Other activities

During March, Arribatec performed a reverse share split of the Company's shares in the ratio of 10:1 to meet the Oslo Børs' requirements of a minimum share value of NOK 1 per share.

Shareholders' meeting

Arribatec Group ASA's annual General meeting was held on 24 May. The meeting re-elected Martin Nes as the Chairman of the board and Øystein Stray Spetalen, Linn Katrine Høie and Kristin Hellebust as Board members together with the election of Terje Mjøs as a new Board member.

Subsequent events after reporting date

There has been no subsequent events after the balance sheet date.

\ Responsibility Statement .

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 30 June 2023, which have been prepared in accordance with IAS 34 as adopted by EU, gives a true and fair view of the Company and the Group's consolidated assets, liabilities, financial position and results of operations, and that the management report includes a fair review of important events during the period and their effects on the condensed set of financial statements for the full year 2022, together with a description of the principal risks and uncertainties for the remaining months of the financial year as well as material transactions with related parties for the period.

Oslo 16 August 2023
The board of Arribatec Group ASA

Signed electronically

Martin Nes
chairman of the board

Øystein Stray Spetalen
member of the board

Linn Katrine Høie
member of the board

Kristin Hellebust
member of the board

Terje Mjøs
member of the board

Geir Johansen
Group CEO

\ Condensed consolidated financial statements & notes .



\ Condensed consolidated statements of profit and loss .

NOK thousand	Note	For the quarter end		Year to date		Full year 2022
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Revenue	3	148 164	120 241	298 211	246 183	504 968
Materials, software and services		(34 829)	(30 012)	(69 435)	(58 387)	(115 035)
Gross profit		113 334	90 229	228 776	187 796	389 934
Salary and personnel costs		(86 312)	(81 674)	(177 688)	(170 164)	(338 800)
Other operating expenses		(18 626)	(20 044)	(37 405)	(35 352)	(85 241)
Total operating expenses		(104 938)	(101 718)	(215 093)	(205 517)	(424 041)
EBITDA		8 396	(11 489)	13 683	(17 720)	(34 107)
Depreciation, amortization and impairment	4, 5	(12 615)	(13 263)	(24 244)	(25 967)	(56 232)
EBIT		(4 219)	(24 752)	(10 561)	(43 687)	(90 339)
Financial income	6	787	2 049	2 846	2 580	5 191
Financial expense	6	(1 781)	(1 247)	(4 480)	(2 135)	(5 280)
Profit/(loss) before tax		(5 213)	(23 949)	(12 195)	(43 242)	(90 428)
Tax expense		1 384	4 243	2 421	4 057	7 035
Profit/(loss) after tax		(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Attributable to:						
Equity holders of the parent company		(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Earnings per share: basic	7	(0.06)	(0.03)	(0.14)	(0.06)	(0.13)
Earnings per share: diluted	7	(0.06)	(0.03)	(0.14)	(0.06)	(0.13)

\ Consolidated statement of comprehensive profit and loss .

NOK thousand	For the quarter end		Year to date		Full year 2022
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Profit/(loss) after tax	(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Items that may be classified subsequently to profit or loss					
Foreign currency translation differences - foreign operations	2 417	2 182	4 912	(292)	282
Other comprehensive income/(loss) for the period	2 417	2 182	4 912	(292)	282
Total comprehensive income/(loss) for the period	(1 413)	(17 524)	(4 862)	(39 476)	(83 111)
Attributable to:					
Equity holders of the parent company	(1 413)	(17 524)	(4 862)	(39 476)	(83 111)

Interim consolidated statement of financial position

NOK thousand	Note	30 Jun 2023	31 Dec 2022
ASSETS			
Non-current assets			
Property, Plant and equipment		6 653	6 517
Right-of-use assets	4	37 516	41 719
Goodwill	5	207 667	204 581
Customer relations	5	30 591	34 637
Other Intangible assets	5	40 290	41 934
Other non-current assets		3 908	5 323
Deferred tax assets		14 819	12 322
Total non-current assets		341 444	347 034
Current assets			
Accounts receivable		98 264	88 214
Other receivables		2 751	1 128
Contract assets		17 596	16 276
Inventory		3 838	3 777
Other current assets		24 498	18 484
Cash and cash equivalents		41 574	40 449
Total current assets		188 521	168 328
TOTAL ASSETS		529 965	515 362

NOK thousand	Note	30 Jun 2023	31 Dec 2022
EQUITY AND LIABILITIES			
Equity			
Share capital	8	193 361	193 361
Other paid in capital		215 638	215 645
Exchange differences		5 592	679
Other equity		(137 532)	(127 758)
Total equity		277 058	281 927
Non-current liabilities			
Interest bearing loans	9	17 830	18 883
Non-current lease liabilities	4	23 280	26 727
Other non-current financial liabilities		967	967
Deferred tax liabilities		9 608	10 590
Provisions		14 014	14 202
Total non-current liabilities		65 699	71 369
Current liabilities			
Interest bearing loans - current portion	9	7 422	12 328
Current lease liabilities	4	16 148	16 765
Accounts payable		24 018	31 879
Contract liabilities		42 216	16 476
Current tax payable		2 996	650
Other current liabilities		94 408	83 969
Total current liabilities		187 207	162 066
Total liabilities		252 906	233 435
TOTAL EQUITY AND LIABILITIES		529 965	515 362

Interim consolidated statement of changes in equity .

NOK thousand	Equity related to the shareholders of the parent company				
	Restricted		Exchange differences	Other equity	Total Equity
	Share capital	Other paid in capital			
Balance on 1 January 2022	163 773	196 700	398	(44 365)	316 506
Result of the period				(83 393)	(83 393)
Other comprehensive income for the period			282		282
Total comprehensive result for the period	0	0	282	(83 393)	(83 111)
Capital issue, April	28 000	22 000			50 000
Share issue, repair offer, July	1 015	798			1 813
Share issue cost		(3 280)			(3 280)
Share consideration relating to acquisition of Integra		(2 872)			(2 872)
Capital issue in relation to acq. of Integra, Nov	573	2 299			2 872
Closing balance 31 Dec 2022	193 361	215 645	679	(127 758)	281 927
Balance on 1 January	193 361	215 645	679	(127 758)	281 927
Result of the period				(9 774)	(9 774)
Other comprehensive income for the period			4 912		4 912
Total comprehensive result for the period	0	0	4 912	(9 774)	(4 862)
Capital issue, Feb	0				0
Share issue cost		(6)			(6)
Closing balance 30 Jun 2023	193 361	215 638	5 592	(137 532)	277 058

\ Interim consolidated cash flow statement .

NOK thousand	Note	For the quarter end		Year to date		Full year 2022
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Operating activities						
Profit/(Loss) before tax		(5 213)	(23 949)	(12 195)	(43 242)	(90 428)
Taxes paid		(555)	(873)	(1 052)	(873)	(1 566)
Adjustments for:						
- Finance income and expense	<u>4</u>	927	(802)	1 566	(445)	73
- (Increase)/decrease in trade receivables		(4 631)	(2 114)	(10 050)	(5 328)	460
- (Decrease)/increase in trade payables		(7 485)	(8 287)	(7 861)	(1 191)	10 652
- Depreciation and amortization	<u>5, 6</u>	12 615	13 263	24 244	25 967	50 618
- Impairment losses on intangible assets	<u>5</u>	0	0	0	0	5 614
Change in other current accounts		(8 073)	6 764	27 076	10 426	(2 190)
Net cash flows operating activities		(12 415)	(15 999)	21 728	(14 687)	(26 766)
Investing activities						
Sale of intangible assets	<u>5</u>	0	0	0	0	9 347
Purchase of property, plant and equipment		(563)	(129)	(1 359)	(1 178)	(1 964)
Purchase and development of intangible assets	<u>5</u>	(2 651)	(2 331)	(3 742)	(4 474)	(13 881)
Interest received		275	5	311	9	291
Net cash flows investing activities		(2 939)	(2 456)	(4 789)	(5 643)	(6 207)

NOK thousand	Note	For the quarter end		Year to date		Full year 2022
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Financing activities						
Change in overdrafts		467	(6 475)	(6 084)	(4 705)	(2 432)
Repayment of debt		(1 362)	(1 443)	(2 756)	(2 590)	(5 464)
Interest paid		(294)	(6)	(555)	(187)	(697)
Received Gov.grants (SkatteFUNN)		0	0	0	0	3 493
Instalments lease liabilities		(4 420)	(4 452)	(7 534)	(8 554)	(15 932)
Proceeds from shares issued		6	50 000	0	50 000	51 813
Share issue cost		(6)	(1 725)	(6)	(2 157)	(3 280)
Net cash flows financing activities		(5 610)	35 898	(16 935)	31 807	27 501
Net change in cash and cash equivalents		(20 964)	17 443	4	11 477	(5 472)
Cash and cash equivalents at beginning of period		61 964	37 414	40 449	43 758	43 758
Currency translation		574	873	1 122	495	2 163
Cash and cash equivalents at end of period, incl. restricted cash		41 574	55 730	41 574	55 730	40 449
-whereof restricted cash		9 908	16 212	9 908	16 212	13 492

\ Notes to the condensed consolidated interim financial statements .

Note 01 Basis for the preparation

The parent company Arribatec Group ASA (Company) is domiciled in Norway. These condensed consolidated interim Statements (“interim financial statements”) comprise the Company and its subsidiaries (together referred to as “the Group”). These interim financial statements are unaudited for 2023 and it is prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU. The accounting policies adopted are consistent with those used in the annual financial statements for the year ended 31 December 2022. Changes to IFRSs which have been effective from 1 January 2023 have had no material impact on the Group’s financial statements. All presented figures in this interim report have been rounded and consequently, the sum of individual figures can deviate from the presented total figure.

Note 02 Risk and uncertainties

In preparing these interim financial statements, management has made judgments and estimates that effects the application and accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates. Critical Accounting estimates and judgments in terms of accounting policies are more comprehensively discussed in the Company’s Annual report for the Financial Year 2022, available on Arribatec’s website: www.Arribatec.com.

Note 03 Revenue per geography and segment

Segment

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

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

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

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

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

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

For the quarter end 30 Jun 2023

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate/ Other	Eliminations	Total
Revenue	76 386	28 100	31 951	1 786	13 071	343	(3 472)	148 164
Materials, software and services	(15 648)	(7 029)	(15 178)	(635)	(84)	(497)	4 242	(34 829)
Gross margin	60 738	21 070	16 773	1 150	12 987	(155)	771	113 334
Salary and personnel costs	(48 910)	(15 838)	(10 678)	(71)	(6 108)	(4 706)	0	(86 312)
Other operating expenses	(5 366)	(1 344)	(2 815)	(1 131)	(2 104)	(5 095)	(771)	(18 626)
Total operating expenses	(54 277)	(17 182)	(13 494)	(1 202)	(8 212)	(9 801)	(771)	(104 938)
EBITDA	6 461	3 888	3 279	(52)	4 775	(9 955)	0	8 396
Depreciation, amortization and impairment	(4 667)	(1 647)	(2 039)	(817)	(1 862)	(1 583)	0	(12 615)
EBIT	1 794	2 242	1 240	(869)	2 913	(11 539)	0	(4 219)
Net financial items	(4)	71	(163)	(160)	(246)	(492)	0	(994)
Profit/(loss) before tax	1 791	2 312	1 077	(1 028)	2 666	(12 030)	0	(5 213)
Gross margin %	79.5%	75.0%	52.5%	64.4%	99.4%	na	na	76.5%
EBITDA %	8.5%	13.8%	10.3%	(2.9%)	36.5%	na	na	5.7%

For the quarter end 30 Jun 2022

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate/ Other	Eliminations	Total
Revenue	72 190	20 495	28 469	521	12 652	(1 383)	(12 702)	120 241
Materials, software and services	(11 146)	(5 656)	(12 973)	(993)	(3 366)	(5 597)	9 719	(30 012)
Gross margin	61 044	14 839	15 495	(472)	9 285	(6 980)	(2 983)	90 229
Salary and personnel costs	(43 220)	(13 324)	(9 755)	(2 126)	(9 327)	(3 922)	0	(81 674)
Other operating expenses	(8 190)	(1 432)	(5 548)	(613)	(1 989)	(5 256)	2 983	(20 044)
Total operating expenses	(51 410)	(14 756)	(15 303)	(2 739)	(11 316)	(9 178)	2 983	(101 718)
EBITDA	9 633	83	192	(3 210)	(2 030)	(16 158)	0	(11 489)
Depreciation, amortization and impairment	(3 339)	(1 299)	(1 910)	(135)	(3 115)	(3 465)	0	(13 263)
EBIT	6 294	(1 216)	(1 718)	(3 345)	(5 145)	(19 622)	0	(24 752)
Net financial items	463	25	(191)	(191)	773	(75)	0	803
Profit/(loss) before tax	6 757	(1 191)	(1 910)	(3 536)	(4 372)	(19 697)	0	(23 949)
Gross margin %	84.6%	72.4%	54.4%	(90.5%)	73.4%	na	na	75.0%
EBITDA %	13.3%	0.4%	0.7%	(616.0%)	(16.0%)	na	na	(9.6%)

Year to date 30 Jun 2023

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate/ Other	Eliminations	Total
Revenue	159 354	57 799	64 141	2 735	22 355	488	(8 661)	298 211
Materials, software and services	(31 787)	(13 429)	(29 521)	(1 111)	(873)	(1 385)	8 670	(69 435)
Gross margin	127 567	44 370	34 620	1 624	21 482	(897)	9	228 776
Salary and personnel costs	(99 005)	(30 903)	(22 284)	(2 688)	(12 568)	(10 241)	0	(177 688)
Other operating expenses	(11 180)	(2 513)	(6 759)	(2 737)	(3 785)	(10 422)	(9)	(37 405)
Total operating expenses	(110 185)	(33 415)	(29 043)	(5 425)	(16 354)	(20 662)	(9)	(215 093)
EBITDA	17 382	10 955	5 577	(3 801)	5 128	(21 559)	0	13 683
Depreciation, amortization and impairment	(8 732)	(3 285)	(3 964)	(1 470)	(3 624)	(3 169)	0	(24 244)
EBIT	8 650	7 670	1 613	(5 271)	1 504	(24 728)	0	(10 561)
Net financial items	796	(476)	(429)	(293)	(580)	(652)	0	(1 634)
Profit/(loss) before tax	9 446	7 194	1 184	(5 564)	925	(25 380)	0	(12 195)
Gross margin %	80.1%	76.8%	54.0%	59.4%	96.1%	na	na	76.7%
EBITDA %	10.9%	19.0%	8.7%	(139.0%)	22.9%	na	na	4.6%

Year to date 30 Jun 2022

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate/ Other	Eliminations	Total
Revenue	149 776	42 625	55 268	1 325	25 541	(642)	(27 710)	246 183
Materials, software and services	(32 674)	(11 026)	(22 620)	(1 437)	(7 520)	(10 381)	27 271	(58 387)
Gross margin	117 102	31 599	32 648	(112)	18 021	(11 023)	(438)	187 796
Salary and personnel costs	(87 633)	(26 583)	(19 921)	(4 539)	(22 074)	(9 414)	0	(170 164)
Other operating expenses	(9 353)	(2 950)	(10 514)	(1 351)	(2 373)	(9 250)	439	(35 352)
Total operating expenses	(96 986)	(29 533)	(30 435)	(5 890)	(24 447)	(18 664)	439	(205 516)
EBITDA	20 116	2 066	2 213	(6 002)	(6 426)	(29 687)	0	(17 720)
Depreciation, amortization and impairment	(6 417)	(2 424)	(3 963)	(524)	(6 194)	(6 446)	0	(25 967)
EBIT	13 699	(358)	(1 750)	(6 526)	(12 621)	(36 133)	0	(43 687)
Net financial items	99	87	(217)	(260)	603	134	0	445
Profit/(loss) before tax	13 798	(271)	(1 967)	(6 786)	(12 018)	(35 999)	0	(43 241)
Gross margin %	78.2%	74.1%	59.1%	(8.5%)	70.6%	na	na	76.3%
EBITDA %	13.4%	4.8%	4.0%	(453.0%)	(25.2%)	na	na	(7.2%)

Full year 2022

NOK thousand	Business services	EA & BPM	Cloud	Hospitality	Marine	Corporate/ Other	Eliminations	Total
Revenue	291 362	89 789	113 726	3 642	47 066	1 166	(41 781)	504 968
Materials, software and services	(64 177)	(19 812)	(48 862)	1 948	(6 365)	(17 561)	39 794	(115 035)
Gross margin	227 185	69 977	64 864	5 590	40 701	(16 395)	(1 988)	389 934
Salary and personnel costs	(177 970)	(52 108)	(41 291)	(10 192)	(39 066)	(18 172)	0	(338 800)
Other operating expenses	(21 768)	(5 437)	(22 031)	(3 678)	(11 702)	(22 613)	1 988	(85 241)
Total operating expenses	(199 739)	(57 545)	(63 322)	(13 870)	(50 768)	(40 785)	1 988	(424 041)
EBITDA	27 446	12 432	1 542	(8 280)	(10 067)	(57 180)	0	(34 107)
Depreciation, amortization and impairment	(15 110)	(5 707)	(7 116)	(2 762)	(14 696)	(10 842)	0	(56 232)
EBIT	12 336	6 725	(5 573)	(11 042)	(24 764)	(68 022)	0	(90 339)
Net financial items	(331)	(9)	(357)	(223)	74	757	0	(89)
Profit/(loss) before tax	12 005	6 717	(5 931)	(11 265)	(24 690)	(67 265)	0	(90 428)
Gross margin %	78.0%	77.9%	57.0%	153.5%	86.5%	na	na	77.2%
EBITDA %	9.4%	13.8%	1.4%	(227.4%)	(21.4%)	na	na	(6.8%)

Disaggregation of revenue

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

For the quarter end 30 Jun 2023

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	41 709	43 745	3 672	89 126
Europe	37 117	8 474	1 827	47 417
Americas	9 131	1 642	848	11 620
Total revenue	87 957	53 860	6 346	148 164

For the quarter end 30 Jun 2022

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	32 613	36 840	3 309	72 762
Europe	32 083	5 356	1 183	38 622
Americas	6 911	1 422	524	8 857
Total revenue	71 607	43 618	5 016	120 241

Year to date 2023

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	89 057	85 140	7 530	181 727
Europe	74 347	16 324	2 729	93 400
Americas	18 587	3 279	1 219	23 084
Total revenue	181 990	104 742	11 478	298 212

Year to date 2022

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	70 904	73 291	6 734	150 929
Europe	63 557	14 378	1 705	79 640
Americas	12 297	2 758	559	15 614
Total revenue	146 759	90 427	8 998	246 183

Full year 2022

NOK thousand	Consulting services	Recurring Revenue	One-time revenue	Total
Norway	140 157	149 666	15 472	305 295
Europe	129 395	27 911	5 819	163 126
Americas	28 902	6 917	728	36 548
Total revenue	298 454	184 495	22 019	504 968

Note 04 Leased assets

Right-of-use assets Year to date 30 Jun 2023

NOK thousand	Buildings	Vehicles	Hardware	Other	Total
Right-of-use assets per 1 Jan 2022	18 149	430	3 139	8 548	30 266
Addition of right-of-use assets	18 336	0	37	9 836	28 209
Depreciation in the period	(10 791)	(345)	(1 561)	(4 518)	(17 215)
Reclassification between categories	6 631	1	191	(6 822)	0
Translation difference	447	3	9	0	459
Right-of-use assets per 1 Jan 2023	32 773	89	1 814	7 043	41 719
Addition of right-of-use assets	4 206	293	0	270	4 769
Depreciation in the period	(6 874)	(86)	(699)	(2 165)	(9 825)
Reclassification between categories	(41)	41	0	0	0
Translation difference	850	2	1	0	853
Carrying amount of right-of-use assets, end of period	30 914	338	1 116	5 148	37 516
Remaining lease term	1-6 years	1-4 years	1-3 years	1-3 years	
Depreciation method	Linear	Linear	Linear	Linear	

Lease liabilities

NOK thousand	30 Jun 2023
Undiscounted lease liabilities and maturity of cash outflow	
< 1 year	17 084
1-2 years	10 946
2-3 years	8 319
3-4 years	3 287
4-5 years	1 513
> 5 years	99
Total undiscounted lease liabilities, end of period	41 248
Discount element	(1 820)
Total discounted lease liabilities, end of period	39 428

NOK thousand	30 Jun 2023	31 Dec 2022
Total lease liabilities, end of period	39 428	43 492

Note 05 Intangible assets

Year to date 30 Jun 2023

NOK thousand	Goodwill	Customer relations	Other intangible assets; Custom software	Other intangible assets; Technical software	Other intangible assets; Licenses	Total
Cost at 1 Jan 2023	204 581	56 799	51 883	13 654	7 752	334 669
Additions - internally developed	0	0	0	3 742	0	3 742
Reclassifications between categories	0	0	2 249	(2 249)	0	0
Disposals	0	0	0	(5 559)	(161)	(5 720)
Translation difference	3 086	2 513	1 612	1 880	56	9 148
Cost, end of period	207 667	59 313	55 744	11 467	7 648	341 839
Accumulated amortizations at 1 Jan 2023	0	(22 162)	(21 290)	(6 684)	(3 381)	(53 517)
Amortization	0	(5 832)	(1 531)	(4 751)	(878)	(12 991)
Reclassifications between categories	0	0	(1 253)	1 253	0	0
Disposals	0	0	0	5 559	84	5 644
Translation difference	0	(728)	(838)	(827)	(33)	(2 426)
Accumulated amortization and impairment, end of period	0	(28 721)	(24 911)	(5 451)	(4 207)	(63 291)
Carrying amount at 30 Jun 2023	207 667	30 591	30 833	6 016	3 440	278 548
Useful life	Infinite	5 yrs	5–10 yrs	5 yrs	3–10 yrs	

Full year 2022

NOK thousand	Goodwill	Customer relations	Other intangible assets; Custom software	Other intangible assets; Technical software	Other intangible assets; Licenses	Total
Cost at 1 Jan 2022	205 279	57 526	29 975	54 353	4 979	352 112
Additions	0	0	887	0	1 240	2 127
Additions - internally developed	0	0	11 755	0	0	11 755
Less government grants	0	0	(1 006)	0	0	(1 006)
Reclassifications ¹	0	(691)	44 003	(32 619)	1 551	12 243
Sale of asset	(910)	0	0	(9 202)	0	(10 113)
Disposals	0	0	(35 302)	0	0	(35 302)
Translation difference	213	(36)	1 570	1 122	(17)	2 852
Cost, end of period	204 581	56 799	51 883	13 654	7 752	334 669
Accumulated amortizations at 1 Jan 2022	0	(11 495)	(10 093)	(13 523)	(643)	(35 755)
Amortization	0	(11 360)	(13 962)	(3 887)	(1 689)	(30 898)
Impairment	0	0	(5 606)	0	0	(5 606)
Reclassifications ¹	0	691	(19 283)	7 614	(1 054)	(12 032)
Sale of asset	0	0	0	3 527	0	3 527
Disposals	0	0	28 408	0	0	28 408
Translation difference	0	2	(754)	(416)	6	(1 162)
Accumulated amortization and impairment, end of period	0	(22 162)	(21 290)	(6 684)	(3 381)	(53 517)
Carrying amount at 31 Dec 2022	204 581	34 637	30 593	6 969	4 372	281 152
Useful life	Infinite	5 yrs	5–10 yrs	5 yrs	3–10 yrs	

¹ Reclassifications made between categories

Note 06 Financial items

NOK thousand	For the quarter end		Year to date		Full year 2022
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Finance income					
Interest income	275	5	311	9	291
Realized foreign exchange gains	793	250	1 506	528	2 153
Net unrealized foreign exchange gains	(387)	702	900	868	1 522
Other financial income	105	1 092	129	1 176	1 225
Total financial income	787	2 049	2 846	2 580	5 191
Finance expenses					
Interest on debts and borrowings	(294)	(6)	(555)	(187)	(697)
Interest expense on lease liabilities	(317)	(377)	(656)	(702)	(1 236)
Realized foreign exchange losses	(837)	(176)	(2 767)	(354)	(1 998)
Other financial expenses	(333)	(687)	(501)	(891)	(1 349)
Total financial expenses	(1 781)	(1 247)	(4 480)	(2 135)	(5 280)
Net financial items	(994)	803	(1 634)	446	(89)

Note 07 Earnings per share

NOK thousand	For the quarter end		Year to date		Full year 2022
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Net profit/(loss) to equity holders	(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Total	(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Number of shares (in thousands)					
Weighted average number of ordinary shares ¹	69 057	673 792	69 057	629 102	658 989
Effects of dilution, weighted average	383	0	383	0	5 664
Weighted average number of shares, adjusted for effects of dilution	69 440	673 792	69 440	629 102	664 652
Basic earnings per share (NOK)	(0.06)	(0.03)	(0.14)	(0.06)	(0.13)
Diluted earnings per share (NOK) ²	(0.06)	(0.03)	(0.14)	(0.06)	(0.13)

¹ Reverse share split 10:1 in Q1 2023

² If Net loss, EPS per Basic and Diluted share will be equal

Note 08 Issued shares, share capital and shareholder information

Issued shares and share capital

	Number of shares	Share Capital (NOK)
1 January 2020	16 077 403	16 077 403
Capital issue, Jan	7 164 688	7 164 688
Capital issue, Mar	41 666 666	41 666 666
Capital issue, Mar	25 000 000	25 000 000
Capital decrease, Nov		(64 734 305)
New shares, Oct	235 819 574	66 029 481
Share issue, repair offer, Nov	32 855 000	9 199 400
Share issue, employee offer, Nov	10 000 000	2 800 000
Share issue, private placement, Dec	50 000 000	14 000 000
1 January 2021	418 583 331	117 203 333
Capital issue in relation to acq. of Facil, Jan	12 423 200	3 478 496
Capital issue in relation to acq. of Microsky, Feb	3 499 998	979 999
Capital issue in relation to acq. of Innit, Mar	5 606 400	1 569 792
Capital issue in relation to acq. of Qualisoft, May	15 000 000	4 200 000
Capital issue in relation to acq. of Maksit, Aug	5 000 000	1 400 000
Capital issue in relation to merger with Arribatec AS, Sep	124 790 135	34 941 238
31 December 2021	584 903 064	163 772 858
Capital issue, April	100 000 000	28 000 000
Share issue, repair offer, July	3 625 153	1 015 043
Capital issue in relation to acq. of Integra, Nov	2 045 000	572 600
31 December 2022	690 573 217	193 360 501
Capital issue, February	3	1
Reverse share split (10:1), March	(621 515 898)	
30 June 2023	69 057 322	193 360 502

20 largest shareholders at 30 Jun 2023

	Holding	Stake
FERNCLIFF LISTED DAI AS	16 655 404	24.1%
TITAN VENTURE AS	2 988 661	4.3%
ARRIBA INVEST AS	2 660 000	3.9%
DALLAS ASSET MANAGEMENT AS	2 467 200	3.6%
JOAR AARENES	2 411 185	3.5%
SRK CONSULTING AS	1 780 947	2.6%
NORDNET BANK AB	1 734 284	2.5%
ERIK SKAAR OPDAL	1 695 200	2.5%
TRUDE HALVORSEN	1 079 789	1.6%
HANEKAMB INVEST AS	1 055 347	1.5%
DATUM AS	854 291	1.2%
MIDDELBOE AS	701 115	1.0%
NORSK REGNESENTRAL	677 074	1.0%
KRISTIAN FALNES AS	630 000	0.9%
DANSKE BANK A/S	611 708	0.9%
EXCESSION AS	600 000	0.9%
LARS HUGO BRAADLAND OLSEN	574 850	0.8%
LCS AS	551 801	0.8%
JAN ARNE CHRISTENSEN	520 675	0.8%
NORDLYS TRADING AS	450 000	0.7%
Total 20 largest shareholders	40 699 531	58.9%
Other shareholders	28 357 791	41.1%
Total	69 057 322	100.0%

Shares held by related parties

	Holding	Stake	
FERNCLIFF LISTED DAI AS	16 655 404	24.1%	Related to Øystein S. Spetalen, Member of the Board in Arribatec Group ASA
HANEKAMB INVEST AS	1 055 347	1.5%	Related to Martin Nes, Chairman of the Board in Arribatec Group ASA
FINANCE RESOURCES GJ AS	360 609	0.5%	Related to Geir Johansen, CEO of Arribatec Group ASA
TERJE MJØS HOLDING AS	100 000	0.1%	Related to Terje Mjøs, Member of the Board in Arribatec Group ASA
KJØLVIK INVEST AS	58 334	0.1%	Related to Ole-Jakob Kjølvik, COO of Arribatec Group ASA
SICUBI AS	24 072	0.0%	Related to Bente Brocks, CFO (interim) of Arribatec Group ASA
HELLEBUST, KRISTIN	22 728	0.0%	Related to Kristin Hellebust, Member of the Board in Arribatec Group ASA

Note 09 Interest bearing debt

NOK thousand

Debt financial institutions	Type	Currency	Facility limit	Interest rate	Year of maturity	30 Jun 2023	31 Dec 2022
Danske Bank	Revolving credit facility	NOK	20 000	NIBOR+2.75%	2023	699	6 750
DLL	Leasing & finance company	NOK		4.5%	2024	134	244
Bank Intesa, Italy	Unsecured bank facilities	EUR		EURIBOR+1.95%-2.40%	2027	9 412	8 411
Bank Progetto, Italy	Unsecured bank loan	EUR		EURIBOR+5%	2025	5 061	5 759
Bank Carige, Italy	Unsecured bank loan	EUR		1.3%	2027	6 816	6 863
Bank Passadore, Italy	Unsecured bank loan	EUR		EURIBOR+1.5%	2028	3 131	3 154
Italian banks, ref above	Revolving credit facility	EUR		1.0-4.75%	2023	0	29
Total						25 252	31 211

	Credit facilities	Other borrowings	Total
Balance at 1 Jan 2023	6 779	24 431	31 211
Proceeds from loans and borrowings	938	0	938
Repayment of loans and borrowings	(7 022)	(2 756)	(9 778)
Total changes in financial cashflow	(6 084)	(2 756)	(8 840)
Translation difference	4	2 877	2 881
Total interest bearing debt, end of period	699	24 552	25 252

Note 10 Transactions with related parties

There are no transactions with related parties since January 2022.

\ APMs, terms and abbreviations .

NOK thousand	For the quarter end		Year to date		Full year 2022
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
EBITDA	8 396	(11 489)	13 683	(17 720)	(34 107)
M&A cost	0	0	0	0	0
Restructuring cost	0	228	0	3 337	3 779
Bad debt in relation to discount. product	0	0	0	0	1 048
Sale of intangible asset (IP)	0	0	0	0	4 190
Sanctions ¹	0	0	0	545	0
Adjusted EBITDA	8 396	(11 261)	13 683	(13 837)	(25 090)

¹ Accrual for ECL Russia

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

M&A cost are related to acquisition of subsidiaries, restructuring cost is related to the restructuring of BA Marine, bad debt in relation to discontinued product in BA Business Services and Sale of intangible asset is related to loss on sale of IP in BA Marine.

KPI/APM definition

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

Terms and abbreviations

APAC	Asia/Pacific
BA	Business Area
BizS	BA Business Services
BoD	Board of Directors
BPM	Business Process Management
CAGR	CAGR Compound Annual Growth Rate, used to measure an investment's annual growth rate over time, with the effect of compounding taken into account.
CGU	Cash Generating Unit
Cloud	BA Cloud
DKK	Danish Krone
EA-BPM	BA Enterprise Architecture & Business Process Management
EBIT	Operating profit, Earning before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization

ECL	Estimated Credit Losses
EPS	Earnings Per Share
EUR	Euro
FTE	Full Time Equivalent
Hspt	BA Hospitality
IFRS	International Financial Reporting Standards
Marine	BA Marine
M&A	Mergers and Acquisitions
NOK	Norwegian Krone
Opex	Operating expenses
RR	Recurring revenue, derived from sale of services and solutions through subscription models this reporting period
RTO	Reverse take over
SEK	Swedish Krone
SaaS	Software as a service
Solaas	Solution as a service
USD	US dollar
VIU	Value in Use
WACC	Weighted Average Cost of Capital
WAEP	Weighted Average Exercise Price

Arribatec.

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

+47 4000 3355
info@arribatec.com

Arribatec Group ASA
Lørenfare 1D
N-0585 Oslo

Next event

2 November 2023

Contact: ir@arribatec.com

