



**Software for a safer
workplace**

Trading update

2 June 2022



Trading update

This trading update is issued in conjunction with the announcement earlier today regarding the voluntary offer (“Offer”) to be made by Erling Bidco AS (a company owned by funds advised by Apax Partners LLP) to acquire all the shares in EcoOnline Holding AS.

In conjunction with the announcement of the Offer, EcoOnline Holding AS finds it appropriate to disclose the trading updates Erling Bidco AS has received prior to the announcement of the Offer.

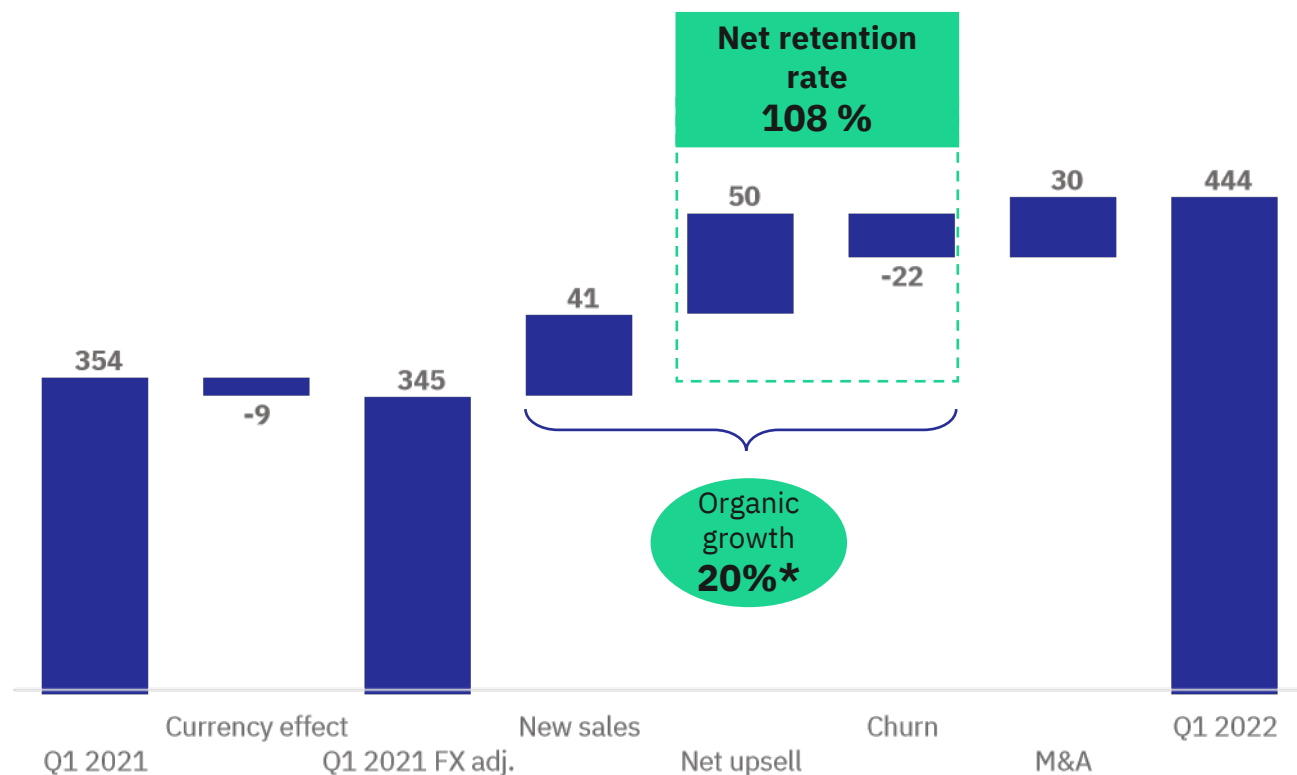
Please see attached

- Annual Recurring Revenue (“ARR”) development per April 2022
- Planned acquisition
- Preliminary and unaudited financial statements Q1 2022

Q1 2022 ARR LTM shows 20% organic growth and 108% NRR

ARR development LTM

NOK million



- Total ARR growth year of year of 29%
- Well balanced through both strong new sales, net upsell and in-organic growth through strategic M&A
- M&A includes acquisitions of Chymeia, Pilotech, Munio and Biome
- ARR per end April 2022 amounted to NOK 447 million

Planned acquisition

EcoOnline AS (“EcoOnline”), a company 100% owned by EcoOnline Holding AS, is in the process of acquiring a UK based Software as a Service (“SaaS”) company (“the Company”) which offers an easy-to-use worker safety solution. The offering is new to EcoOnline and will be added to EcoOnline’s product suite and platform. The Company has customers in the UK, Ireland, USA, Canada, Australia and New Zealand, and has reported strong ARR and customer growth over several years

Key figures

- Q1 2022 ARR at GBP 3.1 million
- 28% ARR CAGR last 4 years
- ~110% net retention last 3 years
- ~750 active customers
- ~ 35 FTEs

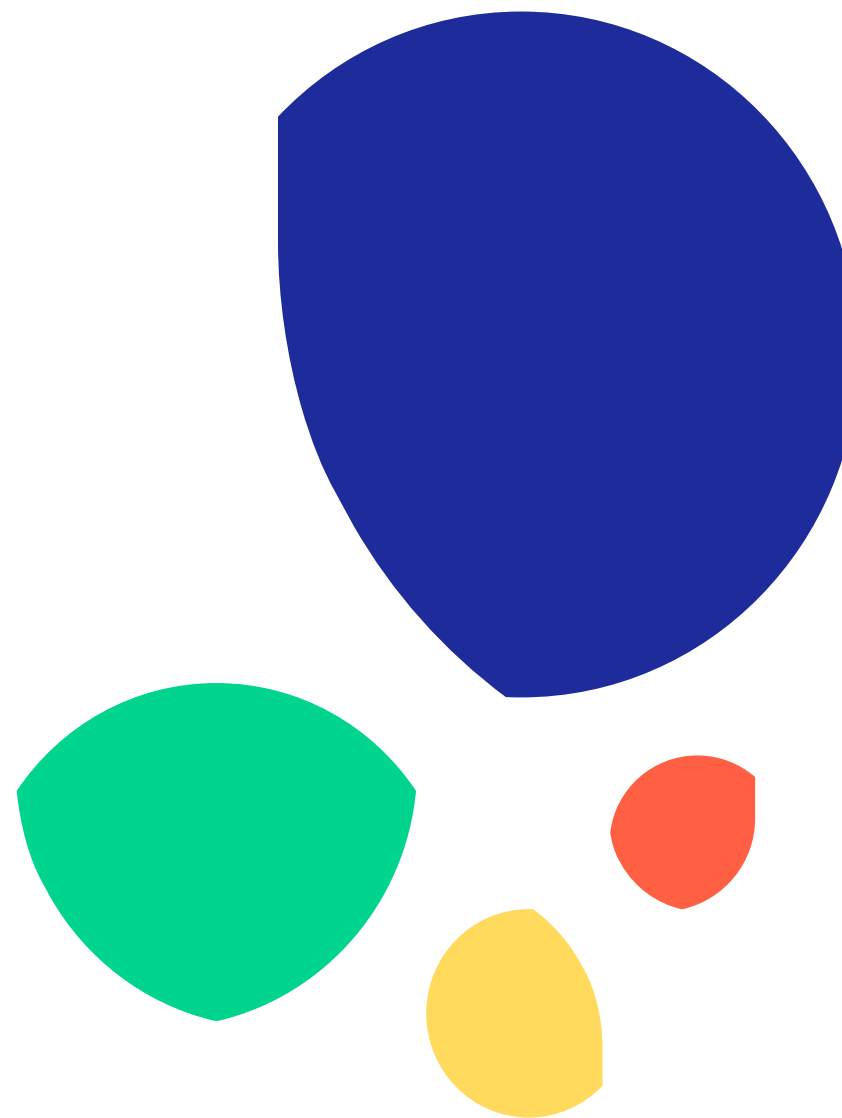
Terms and process

- GBP 24 million valuation
 - GBP ~22 million cash on closing
 - GBP ~2 million reinvestment by key personnel
 - In addition, earn-out based on net ARR growth April 2022-January 2023
- Due diligence completed
- Planned closing by mid-June 2022



Q1 2022

Preliminary and unaudited
financial statements



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Interim condensed consolidated statement of comprehensive income

Amounts in NOK thousands	Note	Q1 2022	Q1 2021	Full year 2021
Revenues	3	122 951	95 057	423 351
Other operating income		855	-	2 561
Total revenue and other operating income		123 806	95 057	425 912
Cost of goods and services sold		7 471	2 975	17 654
Personnel expenses		90 473	66 943	306 825
Other operating expenses		28 361	28 672	99 667
M&A costs		1 392	8 906	16 560
Total operating expenses		127 697	107 496	440 706
Operating profit or loss before depreciation and amortization (EBITDA)		(3 891)	(12 439)	(14 794)
Depreciation and amortization	5	29 534	23 450	101 906
Operating profit or loss (EBIT)		(33 425)	(35 889)	(116 700)
Finance income		12 294	21 924	35 825
Finance costs		14 343	12 750	58 743
Net financial items		(2 049)	9 174	(22 918)
Loss before tax		(35 474)	(26 715)	(139 618)
Income tax expense		(2 369)	(2 159)	(8 728)
Loss for the year		(33 105)	(24 556)	(130 890)

Amounts in NOK thousands	Note	Q1 2022	Q1 2021	Full year 2021
Other comprehensive income:				
Items that subsequently may be reclassified to profit or loss:				
Exchange differences on translation of foreign operations		(35 031)	(38 361)	(35 731)
Total items that may be reclassified to profit or loss		(35 031)	(38 757)	(35 731)
Other comprehensive loss for the year		(35 031)	(38 757)	(35 731)
Total comprehensive loss for the year		(68 136)	(62 917)	(166 621)
Loss for the year attributable to:				
Equity holders of the parent company		(33 105)	(24 556)	(130 890)
Total comprehensive loss attributable to:				
Equity holders of the parent company		(68 136)	(62 917)	(166 621)
Earnings per share:				
Basic and diluted earnings per share		(0.20)	(0.02)	(0.30)

Interim condensed consolidated statement of financial position

Amounts in NOK thousands	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
ASSETS				
Non-current assets				
Intangible assets	5	450 852	430 308	462 214
Goodwill	5	1 511 208	1 379 869	1 532 403
Property, plant and equipment		15 207	7 471	13 900
Right-of-use assets		41 205	44 464	43 194
Deferred tax assets		9 264	9 634	9 515
Non-current financial assets		2 043	-	2 043
Total non-current assets		2 029 779	1 871 746	2 063 269
Current assets				
Inventories		262	175	269
Trade and other receivables		89 338	66 740	132 976
Other current assets		66 464	59 262	61 772
Cash and cash equivalents		337 864	620 457	365 035
Total current assets		493 928	746 634	560 052
TOTAL ASSETS		2 523 707	2 618 380	2 623 320

Amounts in NOK thousands	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
EQUITY AND LIABILITIES				
Equity				
Share capital	7	16 531	16 393	16 425
Share premium	7	1 929 611	1 902 354	1 909 322
Other capital reserves	7	8 817	-	7 580
Other equity	7	(330 922)	(159 082)	(262 786)
Total equity		1 624 037	1 759 665	1 670 541
Non-current liabilities				
Non-current interest-bearing liabilities	6	338 542	327 992	348 093
Non-current lease liabilities		29 954	34 015	31 481
Non-current liabilities		52 990		53 749
Deferred tax liabilities		65 123	71 767	68 662
Total non-current liabilities		486 609	433 774	501 985
Current liabilities				
Interest-bearing liabilities	6	1 215	12 896	-
Lease liabilities		12 649	11 107	12 904
Trade and other payables		64 327	88 417	83 683
Government grants		11 143	5 721	11 998
Contract liabilities		285 341	258 352	290 476
Income tax payable		-	269	-
Provisions		30 400	25 097	30 466
Other current liabilities		7 986	23 082	21 267
Total current liabilities		413 061	424 941	450 794
Total liabilities		899 670	858 715	952 779
TOTAL EQUITY AND LIABILITIES		2 523 707	2 618 380	2 623 320

Interim condensed consolidated statement of cash flows

Cash flows from operating activities (NOK thousands)	Note	Q1 2022	Q1 2021	Full year 2021
Profit or loss before tax		(35 474)	(26 715)	(139 618)
<i>Adjustments to reconcile profit before tax to net cash flows</i>				
Net financial items		2 049	(9 174)	22 918
Depreciation and amortisation	5	29 534	23 450	101 906
Share-based payment expense		1 237	-	7 580
<i>Working capital adjustments</i>				
Changes in inventories		7	8	(86)
Changes in trade and other receivables		43 717	34 353	(28 660)
Changes in trade and other payables		(21 292)	23 078	17 288
Changes in contract liabilities		(5 135)	640	26 312
Changes in provisions		(66)	(1 661)	2 872
Changes in other non-current assets		-	-	(2 043)
Changes in other operating items		(5 472)	(2 356)	(1 857)
Net cash flows from operating activities		9 105	41 623	6 612
<i>Cash flows from investing activities (NOK thousands)</i>				
Development of software and other intangible assets	5	(17 577)	(15 520)	(91 575)
Purchase of property, plant and equipment		(3 659)	(485)	(9 343)
Purchase of shares in subsidiaries, net of cash acquired	4	(2 748)	(102 383)	(197 846)
Interest received		8	-	183
Net cash flow from investing activities		(23 976)	(118 388)	(298 581)

Cash flow from financing activities (NOK thousands)	Note	Q1 2022	Q1 2021	Full year 2021
Proceeds from issuance of equity	7	-	562 204	569 204
Transaction costs on issue of shares	7	-	(30 523)	(30 523)
Proceeds from borrowings	6	-	62 957	62 957
Net change in bank overdraft	6	1 215	8 611	(4 285)
Payments for the principal portion of the lease liability		(4 200)	(3 637)	(12 891)
Payments for the interest portion of the lease liability		(555)	(583)	(2 343)
Interest paid		(8 760)	(10 656)	(33 964)
Net cash flows from financing activities		(12 300)	588 373	548 155
Net change in cash and cash equivalents		(27 171)	511 608	256 186
Cash and cash equivalents at the beginning of the period		365 035	108 849	108 849
Cash and cash equivalents at 31 December		337 864	620 457	365 035

Consolidated statement of changes in equity

Amounts in NOK thousands	Note	Paid-in equity		Other equity			Total equity
		Share capital	Share premium	Other capital reserves	Cumulative translation differences	Retained earnings	
Equity 31 December 2021		16 425	1 909 322	7 580	(41 863)	(220 923)	1 670 541
Loss for the year		-	-	-	-	(33 105)	(33 105)
Other comprehensive loss		-	-	-	(35 031)	-	(35 031)
Total comprehensive loss		-	-	-	(35 031)	(33 105)	(68 136)
Issue of share capital	7	106	20 289	-	-	-	20 395
Transaction costs	7	-	-	-	-	-	-
Shared based payments		-	-	1 237	-	-	1 237
Equity 31 March 2022		16 531	1 929 611	8 817	(76 894)	(254 028)	1 624 037
Equity 31 December 2020		13 604	1 350 729	-	(6 132)	(90 033)	1 268 168
Loss for the year		-	-	-	-	(24 556)	(24 556)
Other comprehensive loss		-	-	-	(38 361)	-	(38 361)
Total comprehensive loss		-	-	-	(38 757)	(24 160)	(62 917)
Issue of share capital	7	2 789	582 148	-	-	-	584 937
Transaction costs	7	-	(30 523)	-	-	-	(30 523)
Equity 31 March 2021		16 393	1 902 354	-	(44 493)	(114 589)	1 759 665

Notes to the preliminary and unaudited financial statements

1 Corporate information

EcoOnline Holding AS (“the Company”) is a publicly listed company on Euronext Growth, with the ticker symbol ECO.

The Company is incorporated and domiciled in Norway. The Company’s principal offices are located at Grev Wedels gate 1, 3111 Tønsberg, Norway.

EcoOnline Holding AS and its subsidiaries (collectively “the Group”, or “EcoOnline”) vision is to be a preferred provider of solutions that enable safer, healthier, and sustainable workplaces for businesses of all sizes and all industries.

2 Basis of preparation

The unaudited interim condensed consolidated financial statements for the three months ended 31 March 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by The European Union.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2021.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the group’s consolidated financial statements for the year ended 31 December 2021.

All figures are presented in thousand (000), except when otherwise stated.

The condensed consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and related notes.

3 Revenue from contracts with customers

The Board of Directors is the Group's chief operating decision maker and monitors the operating results of the group as one business unit for the purpose of making decisions about resource allocation and performance assessment, hence only one segment is reported. Segment performance is evaluated based on EBITDA measured consistently with operating profit and loss before depreciation and amortization in the consolidated financial statements.

EcoOnline is a provider of solutions that enable safer, healthier, and sustainable workplaces. The Group's revenue from contracts with customers are reported in one main segment.

The Group's revenue from contract with customers has been disaggregated and presented in the following table:

Revenue from contract with customer	Q1 2022	Q1 2021	Full year 2021
Major products and services			
SaaS license	105 364	83 270	374 600
SaaS implementation fee	5 199	5 051	20 796
Other services	12 388	6 737	27 955
Total recurring and non recurring revenue	122 951	95 057	423 351
Geographic information			
Norway	48 411	31 898	142 316
Sweden	18 826	17 563	73 207
Finland	10 313	10 090	41 956
Denmark	11 920	6 788	36 882
Ireland	13 531	10 855	47 492
England	19 951	17 865	81 497
Total recurring and non recurring revenue	122 951	95 057	423 351
Timing of revenue recognition			
Services transferred at a point in time	12 388	6 737	27 966
Services transferred over time	110 563	88 320	395 385
Total recurring and non recurring revenue	122 951	95 057	423 351

4 Business combinations

Biome Environmental Limited

On 29 March 2022, the Group acquired 100% of the shares in Biome Environmental Ltd. through its subsidiary EcoOnline AS.

Biome Environmental Ltd. is located in Ireland and a Software as a Service (“SaaS”) company specializing in environmental data monitoring and analysis. Integrating Biome’s environmental management and Corporate Social Responsibility (“CSR”) software will be an essential strategic step in strengthening EcoOnline’s expertise and ability to provide organizations with end-to-end management and reporting of Environment, Social, and Governance (“ESG”) data.

The acquisition-date fair value of the total consideration transferred was NOK 4.4 million in cash and NOK 6.6 million in shares in EcoOnline Holding AS. Transaction costs of NOK 1.2 million were expensed and are included in M&A costs.

Based on a provisional Purchase Price Allocation (PPA), the below table illustrates the fair values of the identifiable assets in Biome Environmental Limited at acquisition dates:

Amounts in NOK thousands	29 Mar 2022 Biome Environmental Limited
ASSETS	
Non-current assets	
Technology	553
Customer Relationships	416
Property, plant and equipment	112
Total non-current assets	1 081
Current assets	
Trade and other receivables	79
Cash and cash equivalents	1 627
Total current assets	1 706
Total assets	2 787

Amounts in NOK thousands	29 Mar 2022 Biome Environmental Limited
Non-current liabilities	
Non-current interest bearing liabilities	121
Total non-current liabilities	121
Current liabilities	
Lease liabilities	10
Other current liabilities	604
Total current liabilities	614
Total liabilities	735
Total identifiable net assets at fair value	2 052
Purchase consideration transferred	10 937
Goodwill arising on acquisition	8 885
Purchase consideration transferred	
Cash	4 375
Shares in EcoOnline Holding AS	6 562
Total purchase consideration transferred	10 937
Analysis of cash flows on acquisition	
Net cash acquired with the subsidiary	1 627
Cash paid	4 375
Net cash flow from acquisition	(2 748)

Provision for deferred tax is made for the difference between acquisition cost and acquired tax base in accordance with IAS 12. Offsetting entry of this non-cash deferred tax is technical goodwill. The remaining goodwill includes the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized.

None of the goodwill recognized is expected to be deductible for income tax purposes. For impairment considerations of goodwill, reference is made to note 5.

5 Intangible assets

Recognized goodwill in the Group is derived from the acquisitions of EcoOnline Topco AS and Airsweb Ltd in 2020, the acquisitions of Engage EHS Ltd., Chymeia Aps, Pilottech AS and Munio AS in 2021 and the acquisition of Biome Environmental Ltd. in 2022 (See the Group's consolidated financial statement for the year ended 31 December 2021 for more information).

In Q1 2022 NOK 8.9 million of new goodwill was recognized from the acquisition of Biome Environmental Limited based on the provisional PPA (See note 4 for more information).

The Group's intangible assets consist mainly of internal development projects, technology and customer relationships acquired through the acquisition of subsidiaries.

	Goodwill	Customer relationships	Technology	Total
Acquisition cost 31 December 2021	1 532 403	341 192	251 784	2 125 379
Additions through acquisition	8 885	416	553	9 854
Additions			17 577	17 577
Currency translation effects	(30 080)	(5 594)	(1 030)	(36 704)
Acquisition cost 31 March 2022	1 511 208	336 014	268 884	2 116 106
Accumulated amortization 31 December 2021	-	53 306	77 456	130 762
Amortization for the period	-	8 562	14 900	23 462
Currency translation effects	-	(112)	(66)	(178)
Accumulated amortization 31 March 2022	-	61 756	92 290	154 046
Net book value:				
31 December 2021	1 532 403	287 886	174 329	1 994 617
31 March 2022	1 511 208	274 258	176 594	1 962 060

Economic life (years)	10	5
Depreciation plan	Straight-line	

The Group performed its annual impairment test for goodwill and intangible assets with indefinite lives as of 31 December 2021 and no impairments were made. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount were disclosed in the group's consolidated financial statements for the year ended 31 December 2021.

The Group considers the relationship between the estimated market capitalization of the group and its book value when reviewing intangible assets with finite useful lives for indicators of impairment. In addition, the group considers factors such as the industry growth, impact of general economic conditions, changes in the technological and legal environment, the Group's market share, and performance compared to previous forecasts in this assessment, among other factors. No impairments have been recognized to the group's intangible assets with finite useful lives for the three months ended 31 March 2022.

6 Interest-bearing liabilities

Specification of the Group's interest-bearing liabilities

Non-current interest-bearing liabilities	31 Mar 2022	31 Mar 2021	31 Dec 2021
Bond loan, Ture Invest (NOK)	346 331	327 992	356 238
Loan DnB (Munio AS)	347	-	387
Loan Innovasjon Norge	1 500	-	1 750
- Incremental borrowing costs capitalized	(9 635)	-	(10 282)
Total non-current interest-bearing liabilities	338 542	327 992	348 093
Current interest-bearing liabilities	31 Mar 2022	31 Mar 2021	31 Dec 2021
Credit Draft Facility (DNB)	1 215	12 896	-
Total current interest-bearing liabilities	1 215	12 896	-
Assets pledged as security and guarantee liabilities	31 Mar 2022	31 Mar 2021	31 Dec 2021
Secured balance sheet liabilities			
Interest-bearing liabilities to financial institutions	346 331	327 992	356 238
Value of assets pledged as security for secured liabilities			
Trade and other receivables	89 338	66 740	132 976
Inventories	262	175	269
Property, plant and equipment	15 207	7 471	13 900
Total assets pledged as security	104 807	74 385	147 144

31 March 2022, the Group was in compliance with the financial covenants as described in the consolidated financial statement for the year ended 31 December 2021.

7 Share capital and shareholders information

Issued capital and reserves

	Number of shares authorized and fully paid	Par value per share (NOK)	Financial Position (NOK Thousands)
Share capital in EcoOnline Holding AS			
At 1 January 2021	1 360 435 400	0.01	13 604
19.01.2021 Share capital increase	621 001	0.01	6.21
10.02.2021 Share capital increase	78 239 380	0.01	782.39
24.02.2021 Share capital increase	3 821	0.01	0.04
16.03.2021 Share capital increase	3	0.01	-
16.03.2021 Share capital redemption ¹	(1 295 369 643)	-	-
23.03.2021 Share capital increase	20 000 000	0.10	2 000.00
At 31 March 2021	163 929 962	0.10	16 393
17.08.2021 Share capital increase	320 000	0.10	32.00
At 31 December 2021	164 249 962	0.10	16 425
18.01.2022 Share capital increase	1 058 051	0.10	105.81
At 31 March 2022	165 308 013	0.10	16 531

All shares are ordinary and have the same voting rights and rights to dividends. Reconciliation of the Group's equity is presented in the statement of changes in equity.

Capital increases after the balance sheet date

29 March 2022, the share capital increased by NOK 33 101.20 by the issue of 331 012 ordinary shares of NOK 0.10 each and the share premium increased by NOK 6 528 880.69 in relation to the acquisition of Biome Environmental Ltd (note 4). The capital increase was registered 28 April 2022.

Capital increases that have been paid in Q1 2022, but not registered until Q2 2022, has been accounted for as other current liabilities 31 Mar 2022.

¹ Reverse split at IPO: 10:0

The Group's shareholders

Shareholders in EcoOnline Holding AS 31.03.2022	Total shares	Ownership/ Voting rights
Nitro Newco AS	44 669 784	27%
Goldman Sachs International	25 211 900	15%
The Northern Trust Comp, London Br	19 669 201	12%
State Street Bank and Trust Comp	12 900 000	8%
The Northern Trust Comp, London Br	8 705 003	5%
State Street Bank and Trust Comp	7 593 472	5%
JPMorgan Chase Bank, N.A., London	6 038 580	4%
Skandinaviska Enskilda Banken AB	4 063 471	2%
Goldman Sachs & Co. LLC	3 066 941	2%
Area 42 AS	2 578 305	2%
Fjarde AP-Fonden	2 000 000	1%
JPMorgan Chase Bank, N.A., London	1 762 018	1%
Møsbu AS	1 537 454	1%
JPMorgan Chase Bank, N.A., London	1 457 300	1%
Mark Swithenbank	1 359 557	1%
Skandinaviska Enskilda Banken AB	1 337 468	1%
Robert Leech	1 246 393	1%
Neil Harrison	1 246 393	1%
Jason Wright	1 244 799	1%
Mooney	1 220 672	1%
Other	16 399 302	10%
Total	165 308 013	100%

8 Commitments and contingencies

Accounting policies

Other commitments and contingencies

Contingent liabilities are not recognized in the annual accounts. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in the annual accounts but are disclosed when an inflow of economic benefits is considered probable.

Other commitments

The Group does not have other significant commitments to be disclosed.

Assets pledged as security and guarantee liabilities

For assets pledged as security and guarantee liabilities, see note 6.

Legal claims

The Group does not have other significant legal claims to be disclosed.

9 Events after the reporting period

Adjusting events

There have been no significant adjusting events subsequent to the reporting date.

Non-adjusting events

Share capital increase

27 April 2022, the share capital increases approved 29 March 2022 was registered, see note 7 for more information.

Strategic review

7 April 2022, EcoOnline informed the market that the Board had authorized the Company's management to conduct a strategic review to further enhance shareholder value whereby the Company will explore a broad range of opportunities.

Protecting the people & the environment

Every day we help thousands of people across the world to create a safe and sustainable workplace



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