Annual Report 2022

LINK Mobility Group Holding ASA

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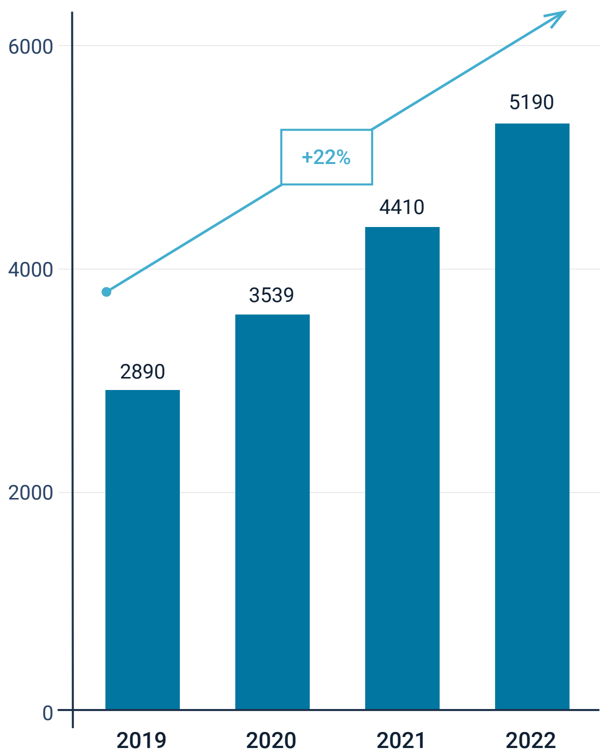
LINK in short

LINK has 700 employees in 30 offices across 18 countries in Europe and the US

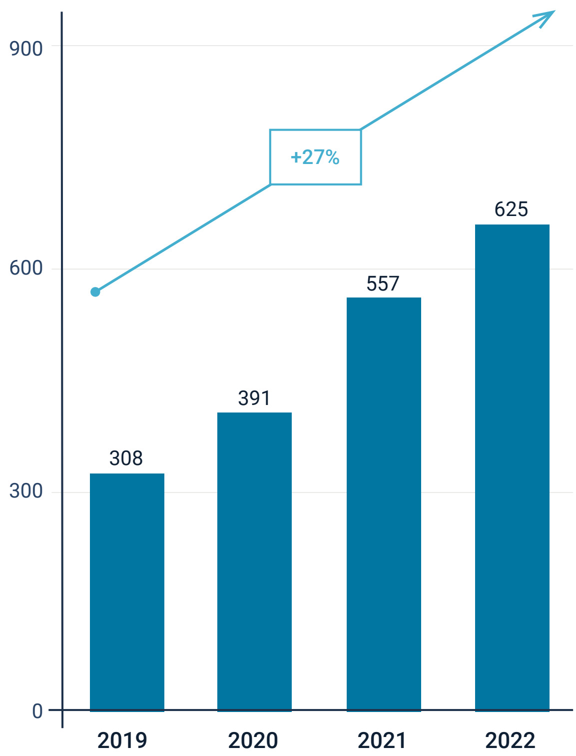
2022 revenue NOK 5.2 billion
Adjusted EBITDA NOK 625 million => EBITDA margin 12%

LINK's 50 000 customers worldwide last year sent 17 billion messages, averaging more than 300 000 messages per customer

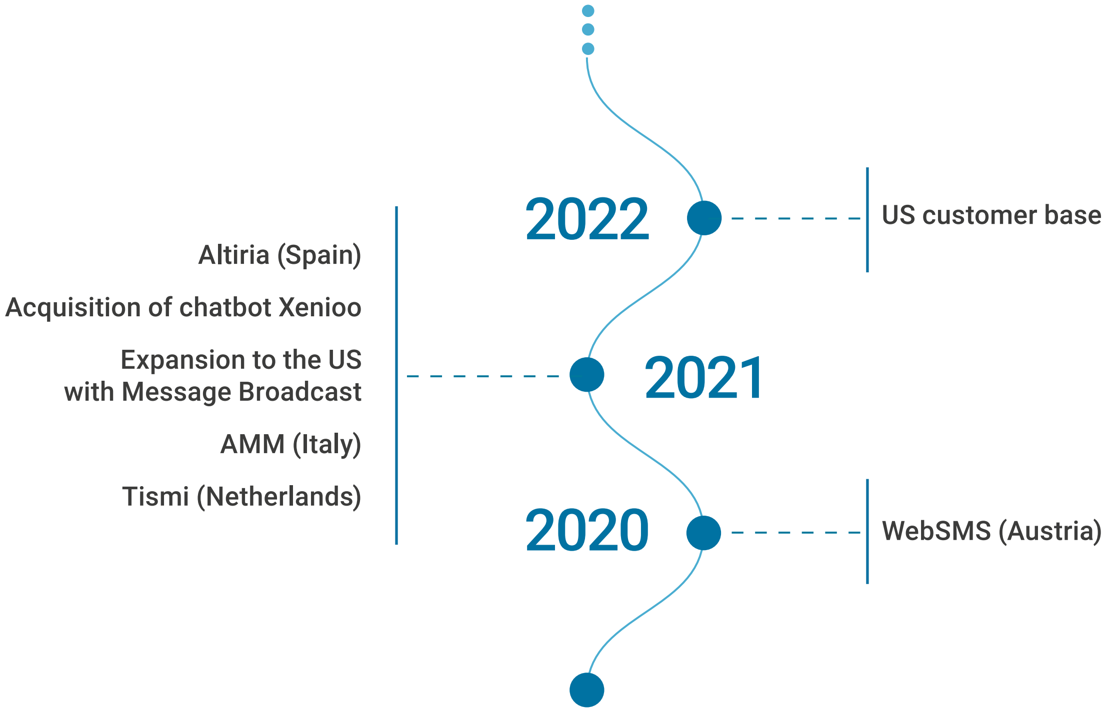
Revenue NOKm



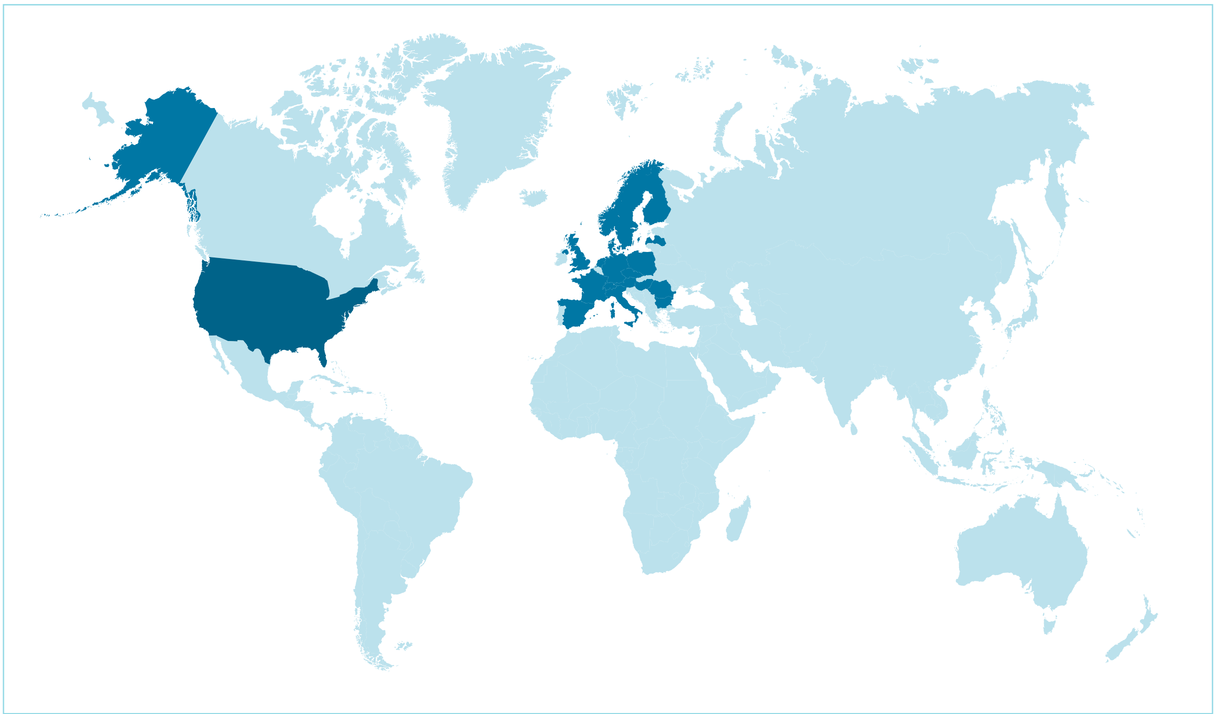
Adjusted EBITDA NOKm



LINK was founded more than 20 years ago and relisted on the Oslo Stock Exchange in 2020 after being taken private in 2018. Since returning to the stock market, LINK has completed 5 new acquisitions in Europe and expanded to the US.



LINK has offices in most European countries and the US



Message from the CEO

LINK continues to grow and dominate its markets, demonstrating our ability to adapt to changing macroeconomic conditions and market trends. After a couple of strong years for the Communication Platform as a Service (CPaaS) industry, 2022 experienced slower growth with lagging market adoption for more advanced CPaaS products. New complex solutions, with a significant potential for increased customer satisfaction and efficiency savings, require larger value chain adaptations by customers which were postponed in a more uncertain macro environment. Despite these tougher market conditions in 2022, LINK delivered organic revenue growth of 12% and entered 2023 with a significantly higher contract backlog and better growth momentum. Assuming stable macro trends, we expect continued improvements through 2023 and into 2024.

LINK's board of directors concluded in 2022 that the company had matured from a private to a public company and successfully evolved from an Application to Person (A2P) messaging provider to an established CPaaS player. To build on this position and further strengthen strategic execution in the next development phase, André Christensen was elected new chairperson of the board and I was appointed CEO. A continuation of historical knowledge and competence was secured by Jens Rugseth, the founder and former chairperson, carrying on as board member. The new chairperson brings strong industry knowledge and commercial capabilities as an entrepreneur and investor with broad strategic and operational experience from Software as a Service (SaaS) scale-ups across Europe, North America and Asia.

LINK implemented commercial changes and cost reduction initiatives in 2022 to improve growth and profitability. We also prioritized development and sales of products on the preferred customer channels SMS, RCS and WhatsApp and selected CPaaS solutions with proven market demand like our chatbot Xenioo. These changes resulted in higher forecasted gross profit contribution from new contract wins, up 63% YoY to NOK 70 million in the second half of 2022.

In addition, reflecting LINK's evolving product portfolio and broader geographical footprint, the contribution from our global clients also increased through 2022.

In the US, LINK's growth momentum gained traction with several new contract signings, significantly increasing recurring revenue streams through licenses, committed buckets of messaging and ongoing professional services. On top of this, additional revenue from weather related critical events messaging will be recognized as the new contracts, geographically diversified across the US, are implemented, and scaled.

LINK's Environmental, Social and Governance (ESG) strategy set in 2021 was followed for 2022, with collection of carbon data for the first time. The results are visible in this report, with further information in the GHG report available on our webpage as part of LINK's sustainability reporting.

LINK is now well positioned to reach our growth objectives with an attractive product portfolio and dedicated employees working together with existing and new clients in all our markets. Main priorities for 2023 are improved organic gross profit growth combined with tight cost control to deliver growth in fixed currency organic adjusted EBITDA of 12-15% and to further enhance free cash flow generation. In close cooperation with our numerous customers and partners, we are confident LINK will provide significant value creation through 2023 and continue to strengthen our leading position within the CPaaS industry.

Thomas Berge, CEO

Oslo, 27 April 2023

LINK and the digital messagig industry

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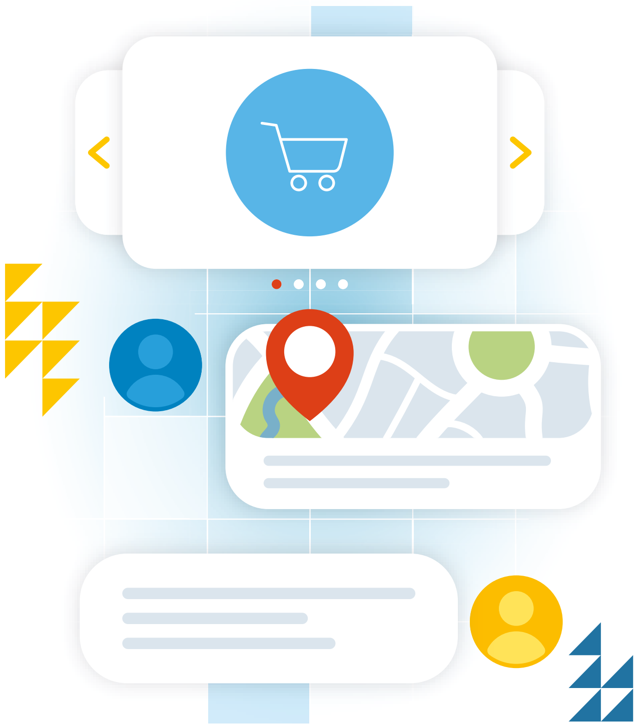
CHAPTER 01

LINK and the digital messaging industry

LINK has been in the digital messaging industry since the company was founded in Norway more than 20 years ago. At the time SMS from Person to Person (P2P) was already established, while A2P SMS was still emerging. LINK played a vital role in growing the A2P market in Norway, which today is the most mature and widely adopted digital messaging market in the world. Following its success in Norway, LINK expanded in Scandinavia, throughout Europe from 2016 and to the US in 2021. LINK is now the leading provider of enterprise digital messaging solutions in Europe and has a firm foothold in the US.

A2P SMS refers to one-way messaging sent by an application to many individuals at once. Businesses and governments send billions of A2P messages, including notifications, like reminders and One-Time Passwords (OTP) and mobile marketing messages. Digital messaging has increased exponentially during the last two decades with the proliferation of mobile phones.

A2P messaging utilises local and global telecommunications networks. To deliver A2P SMS, LINK orchestrates messages sent by businesses or governments through the relevant Mobile Network Operators (MNOs) to reach end users. MNOs are channel suppliers and LINK facilitates message delivery across all competing mobile networks.



Before the emergence of smartphones and third-party messaging apps, MNOs were the only channel available for mobile digital messaging. Today, apps such as WhatsApp, Facebook Messenger, WeChat, Viber and others are now the favoured mode of communication for many. These types of communication apps are known as Over-the-Top (OTT) channels which refer to internet streamed content, historically with devices that go “over the top” of the cable TV box. SMS however remains the largest messaging channel globally with more than 5 billion monthly active users.

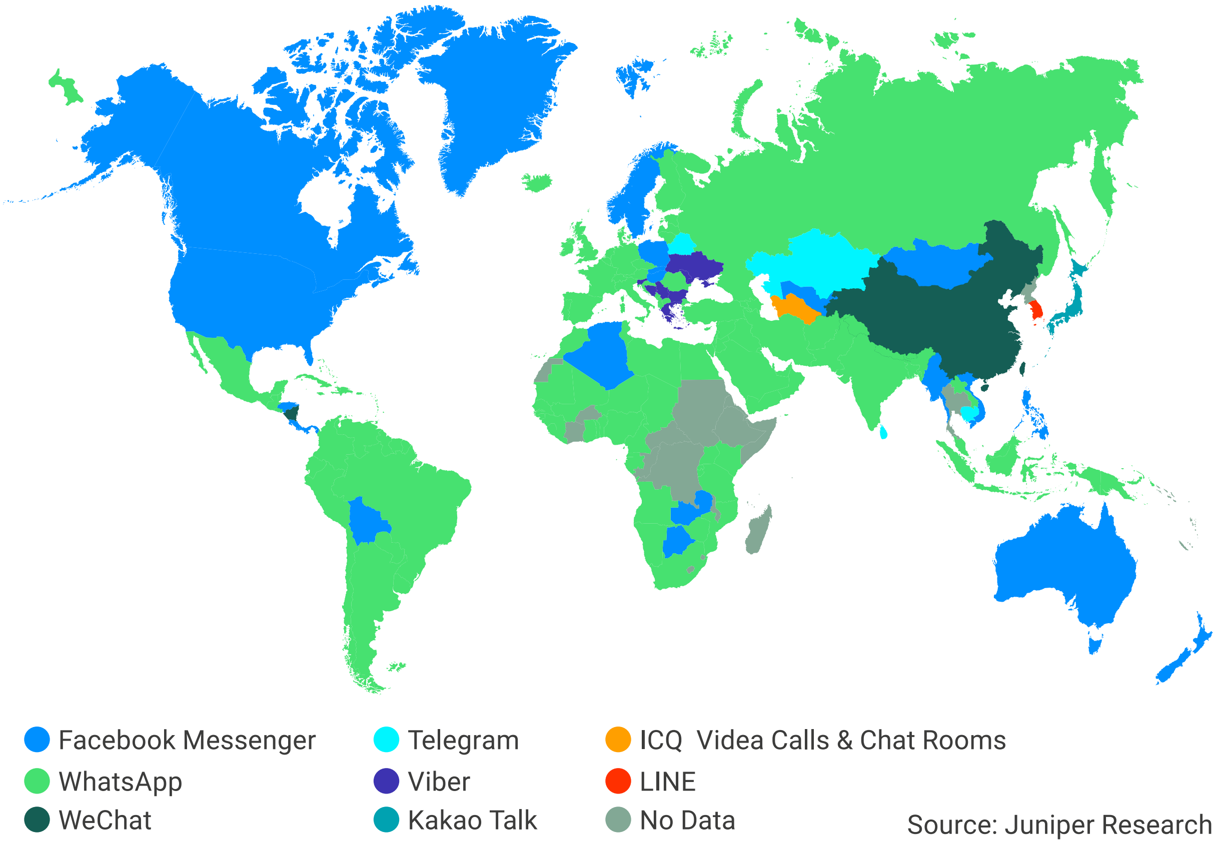
Global OTT messaging apps

Messaging platform	Monthly active users (m)
WhatsApp	2,440
WeChat	1,290
Facebook Messenger	1,000
Viber	823
Telegram	550
LINE	86
Kakao Talk	47

Source: Juniper Research

OTT apps have transformed digital messaging as billions of smartphone users across the world have been introduced to rich media experiences such as images, videos, group chats and interactive content. Features which now are commonplace in daily communication globally. The popularity of the different OTT apps however varies greatly by country and region.

OTT messaging apps popularity by country



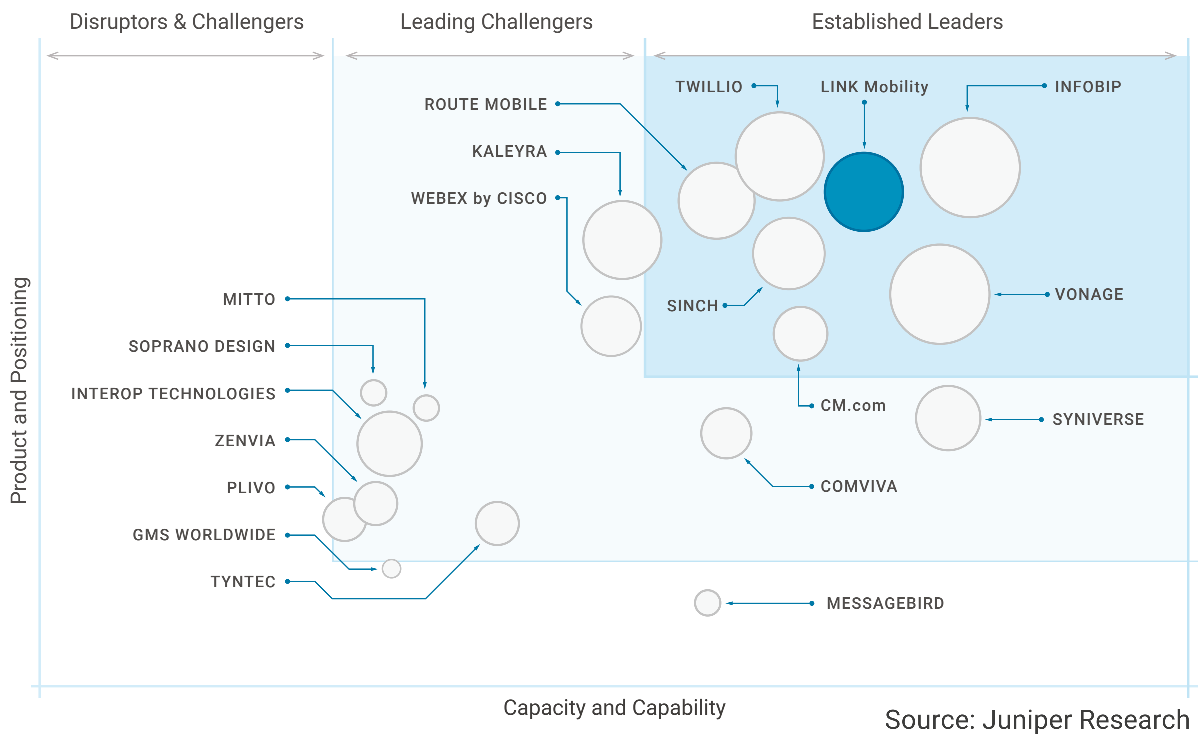
Source: Juniper Research

Given the rise of competing channels, MNOs have taken steps to retain its dominant position in the A2P messaging market and prevent third-party OTT apps capturing a large share of a global market estimated at more than USD 60 billion. Plain SMS, restricted to text only with a maximum of 160 characters, has evolved to incorporate a URL link to a landing page with rich content. In addition to SMS, MNOs have developed Rich Communication Services (RCS) together with Google and compatible with Android mobile devices. RCS or SMS 2.0 provides comparable features to the new OTT channels and has been introduced by MNOs in numerous European countries and by hundreds of operators globally.

These technology shifts offer vast new opportunities for digital messaging, but also increase complexity for businesses and governments. The challenge of orchestration is no longer limited to MNOs but also includes the many new third-party messaging apps. End users increasingly expect to communicate with businesses and governments as they do privately, conversational or two-way messaging on their preferred channel. To orchestrate this complexity and facilitate for the significant value creation potential in direct conversations with end users, the channel agnostic CPaaS industry has emerged. MarketsandMarkets estimates the global CPaaS market to grow by a Compound Annual Growth Rate (CAGR) of 29.4% over the next five years from USD 12.5 billion in 2022 to USD 45.3 billion in 2027.

To benefit fully from these recent technological advances, end users need to be engaged in conversational communication on their preferred channel. LINK has a clear competitive advantage in facilitating such CPaaS solutions with our unique use case library from the most advanced digital messaging market in the world, local market presence across Europe and in the US and a well-established global customer base.

LINK is a leading global CPaaS provider



Source: Juniper Research

LINK strategic context

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CHAPTER 02

LINK strategic context

Because every communication matters, LINK constantly enhances how messages are delivered and conversations are created for our customers.

At the heart of LINK's strategy is our continuous effort to offer businesses and governments communication solutions that increase customer engagement, satisfaction and loyalty. By implementing our solutions, companies can greatly improve their customer satisfaction.

All customer communications, from a simple one-way SMS to rich omnichannel conversations, must bring real value, both to LINK's customer and to the end user. The communication needs to be carried and delivered by the most appropriate channel depending on the type of message, profile and preference of the customer and location or device.

From a history of being the leading enterprise business A2P provider in Europe, focusing on one-way ubiquitous communication, LINK has evolved its strategy to become a worldwide CPaaS provider.

LINK has maintained and strengthened the enterprise customer focus. We cover the requirements and needs of large corporations and multinationals, typically offering our solutions for worldwide deployment. We also serve large and medium enterprises as well as governments through dedicated sales teams situated across 30 offices. The needs of smaller enterprises or SMEs are covered through Self-Sign Up (SSU) portals, where onboarding can be done in minutes with off the shelf product offerings.

LINK's Go-to-Market (GTM) approach includes an extensive partner strategy, enabling our partners to embed LINK solutions in their own product offerings. From independent software vendors to large-scale software integration providers, resellers and telecommunication operators, the LINK Partner Community has grown to more than 750 partners.

Local market presence has always been and continues to be part of LINK's DNA and a key part of our value proposition. We have further strengthened our local sales teams within enterprise and partner sales to ensure we fully understand the needs of our customers in each market. Additionally, we support local product adaptation and development where needed and we provide local first line customer support in our customers' preferred language. Local presence in combination with solutions tuned to the needs of each enterprise customer improves loyalty, net retention rates and minimizes customer churn.

DEDICATED

ENTHUSIASTIC

UNITED

M&A is an important part of LINK's growth history and continues to be a key part of our strategy. Acquisitions serve different purposes, including being an effective tool for acquiring new products or capabilities, expanding into new geographies, or achieving scale in existing markets.

Increased macroeconomic uncertainty last year impacted the digital messaging industry differently depending on use case. Retail volumes, often linked to mobile marketing, experienced headwinds, while notifications use cases, used for more essential communication, saw sustained growth. Efficient customer care solutions, which reduce costs and increase customer satisfaction, proved countercyclical. Into 2023, LINK is well positioned for continued growth and sees a large upselling potential for our more advanced products longer-term as market adoption rates catch up with technological advances.

In the second half of 2022, LINK enhanced its focus on execution of existing commercial opportunities by more clearly prioritizing mature products and selected CPaaS solutions with proven demand. LINK also implemented operating expenditure (OPEX) and capital expenditure (CAPEX) initiatives to ensure continued strong free cash flow generation. As part of the cost reduction initiatives, the organization was further decentralized to support local governance, which best understand the customer needs.

The dedicated, enthusiastic and united employees who make up our organization are instrumental in delivering industry leading products and services to our customers. We strive to be an attractive employer for passionate and driven individuals who want to take part in our journey as a top global CPaaS player. In our operational and strategic work and in our attitudes and behaviours towards colleagues, customers and suppliers, we regard diversity, equity and inclusion as levers for innovation, development and profitability. Our ESG criteria form an integral part of LINK's strategy. Please refer to section "Sustainability at LINK".

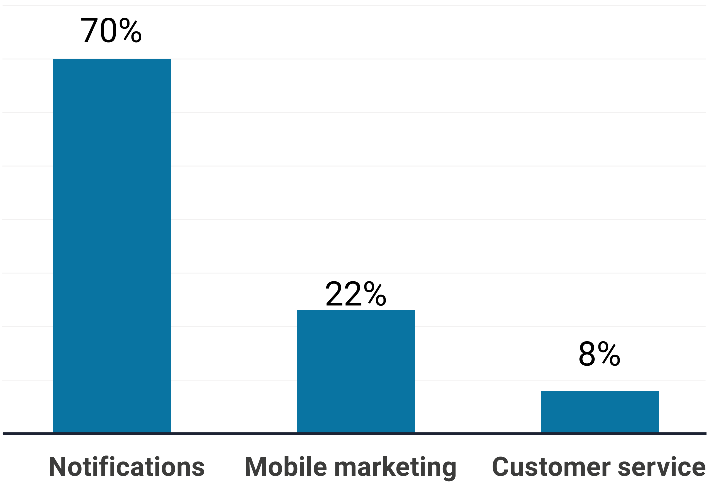
LINK's versatile business model

Annual Report 2022

CHAPTER 03

LINK's versatile business model

Revenue by use case*



* Estimated from industry classification of customer data

LINK derives revenue from three main use cases; notifications, mobile marketing and customer service.

LINK's largest share of traffic comes from notification use cases with around 70% of group revenue. Notifications are linked to essential activities like healthcare, utilities and critical supplies and include reminders, alerts, updates and mission critical communication. The market for essential communication tends to be stable with a growth momentum in the high single-digits.

LINK is less exposed to mobile marketing use cases, contributing just above a fifth of revenue. Digital messaging for marketing has for years been an important channel for large retailers. With higher engagement scores and click-through rates for RCS and WhatsApp, we are now also seeing accelerated interest from smaller players across Europe. Mobile marketing use cases are more sensitive to changes in consumer confidence as compared to essential notifications.

Customer service or Contact Center as a Service (CCaaS) is an area with significant value creation potential from CPaaS solutions. As an example, introduction of chatbots to resolve most inbound enquiries bring large cost savings and increases end user satisfaction with its ease and timeliness. Customer service, vast and to a large extent still based on Interactive Voice Response (IVR) or automated telephone systems, is a large and counter cyclical growth area for CPaaS players due to cost savings for clients.

LINK's GTM approach

LINK focuses on three main GTM approaches to scale revenue through customer acquisitions. The most important customer acquisition method for LINK's enterprise business model is our localized salesforce. LINK employs more than 100 salespeople in local markets to provide superior service and value by being present, speaking the language and knowing our customers.

To reach beyond local enterprise markets, LINK has established a new team, Global Sales, to gain traction on global clients. Several global companies were acquired as new customers in 2022 and an extensive pipeline was established. LINK's approach is to evolve initial contract wins into deep software integrations and long-term client relations. As an example, LINK now sees a considerable growth potential together with a global hyperscaler, from already signed high margin contracts, with the initial business being simple OTP messaging.

Enterprise

More than 100 local salespeople speaking the language and knowing the customers

Global Sales team reaching beyond local markets

Partners

Dedicated partner managers following up tier based program

SSU

Self-Sign Up portals with strong local SME brands in several markets

Another important GTM route for LINK is our partnership program with dedicated partner managers based on LINK's success in the Nordics, where partners have been instrumental for growth and scalability. The program has in recent years been expanded throughout Europe and is divided into three tiers, pending level of integration and commercial cooperation.

link mobility
Official
Platinum Partner

link mobility
Official
Gold Partner

link mobility
Official
Certified Partner

LINK's third GTM approach is SSU portals with strong local brands in several markets. SSUs form the central part of business with high margin local SME customers.

LINK's top three SSU portals and brands are SMSAPI, Spot-Hit and WebSMS.

SMSAPI, offered in a number of European languages, operates out of Poland and has successfully been expanded into Sweden and Bulgaria

Spot-Hit, multi-channel CPaaS brand with a strong retail position. Based in France, it is also offered to the Spanish market and selected UK customers as a white-label solution

WebSMS, easy-to-use online portal for SMS messaging in the DACH region. The portal allows for numerous SMS messages to and from multiple contacts simultaneously

LINK's pragmatic M&A approach

LINK has a proven M&A track record in creating value beyond organic growth. In less than 10 years, LINK has completed more than 30 acquisitions to become the clear market leader for enterprise messaging solutions in Europe and gained a foothold in the US with the 2021 acquisition of Message Broadcast.

Value is driven by acquiring companies that advance LINK's core business based on a three-pillar approach depending on the type of acquisition target. Add-on acquisitions aim to increase the customer base and grow market share in local markets. Level-up cases refer to acquisitions of larger companies to gain access to new markets. Solutions acquisitions are defined as acquisitions of innovative software products to further advance LINK's product portfolio.

Three pillar M&A approach

Add-on

Tuck-in acquisitions to further strenghten local presence and become the market leader

Level-up

Acquire platform companies in new territories to gain and build market position

Solutions

Seek new innovative solutions to leverage existing footprint and further differentiate product offering

The M&A process follows a clear path from target identification through to integration and realization of synergies. Suitable targets must either be technically advanced or established and profitable with a documented low customer churn. Valuation must be accretive and financing deleveraging.

Example of level-up acquisition

Level-up

LINK lastly completed a level-up acquisition in 2021 with the acquisition of Message Broadcast in the US. The acquisition expanded LINK's footprint beyond Europe. Please refer to section "LINK in the US".

Example of add-on acquisition

US customers base

Add-on

In November 2002, LINK took over a customer base in the US carved-out from a larger undisclosed company. Please refer to section "LINK in the US".

Example of solutions acquisition

Solution

LINK acquired the chatbot Xenioo in December 2021

M&A pipeline for further expansion

LINK seeks out potential targets from an extensive and largely exclusive M&A pipeline including solutions companies with advanced product capabilities, local players with strong market positions and level-up cases into new markets. The digital messaging industry is still fragmented with significant opportunities to be harvested through a pragmatic M&A approach.

LINK to execute on profitability in 2023

Annual Report 2022

CHAPTER 04

LINK to execute on profitability in 2023

Commercial attention was aligned to market demand in 2022 by focusing on the preferred customer channels SMS, RCS and WhatsApp and selected CPaaS solutions with proven market demand like LINK's chatbot Xenioo. These solutions are quick to implement and contribute 75% of their contracted full gross profit potential within 12 months. LINK still invests in technologically advanced CPaaS solutions, we are however aligning our pace to the rate of market adoption.

High demand customer channels

SMS remains the channel of choice with more than 5 billion global users due to its simplicity and unparalleled open rate of 98%. For simple but essential notifications, SMS continues to have a clear advantage over other channels. At LINK we have successfully rolled out our new customer initiative "One-more SMS" creating additional value to our broad customer base.

RCS is a communication channel for customer engagement. RCS combines the usability of SMS with an engaging and conversational experience. RCS has been developed by Google in cooperation with MNOs and works on Android smartphones within the native SMS application. RCS is especially well suited for mobile marketing, vastly improving customer engagement and generating return on investment metrics up to 5x traditional SMS.

LINK was awarded "Best RCS Provider" by Juniper Research last year

LINK's cloud-based chatbot Xenioo includes support for 16 messaging and voice channels, including SMS, RCS, WhatsApp, Facebook Messenger, Instagram, Google Business Messaging, Telegram, web channel, Discord, Slack, Microsoft Teams, Voice, Amazon Alexa and Google Assistant. Xenioo is easy to implement, provides immediate cost savings for customers and is currently included in CPaaS solutions in both Europe and the US. Batfast, a virtual reality multi-sports entertainment company, applies Xenioo to answer customer Frequently Asked Questions and for quick technology support. Since implementation both usage and customer satisfaction have increased.

WhatsApp, the largest messaging channel after SMS, is an alternative OTT internet streamed messaging channel owned by Meta with more than 2 billion users globally. WhatsApp is emerging as an attractive new channel both for marketing purposes and within customer care in combination with chatbots. Marionnaud, a multi-brand European beauty retailer has adopted Xenioo combined with WhatsApp as a channel for customer chats. This seamless chatbot integration, with live agents at central or store level, has improved customer satisfaction and reduced costs.

Costs streamlined

LINK specified concrete OPEX and CAPEX initiatives in October 2022, which have been increased and implemented ahead of plan. OPEX reductions are expected to partly offset underlying cost increases and improve profitability in 2023 by NOK 60 million compared to 2022, which reported adjusted EBITDA of NOK 625 million. CAPEX has further been reduced by close to NOK 30 million to an annual level of around NOK 150 million. LINK now has the right resources and capabilities to continue to grow and advance our leading market position.

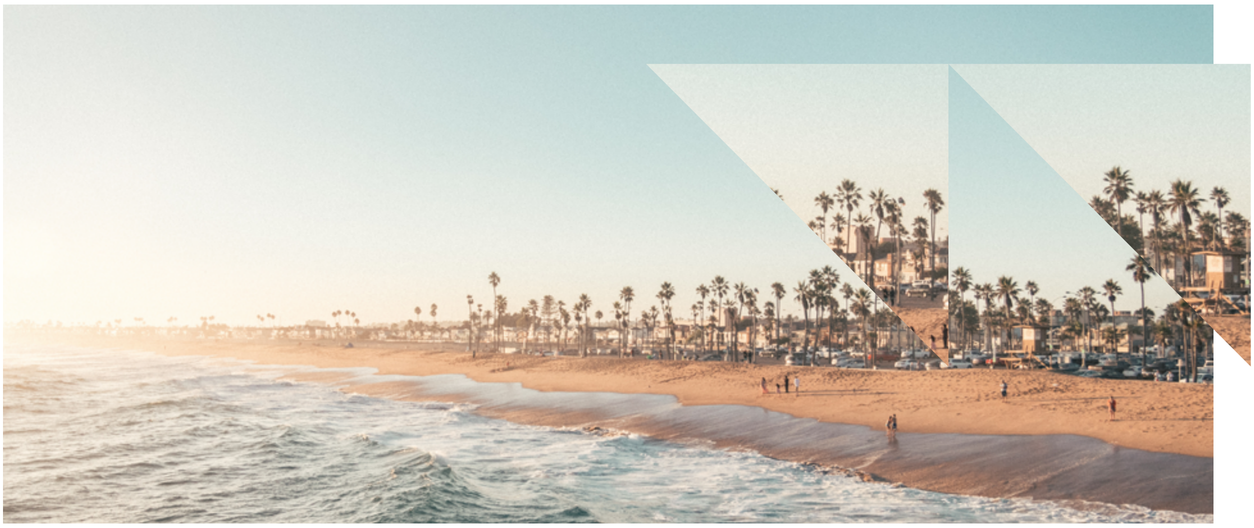
LINK in the US

Annual Report 2022

CHAPTER 05

LINK in the US

LINK has a strong foothold in the US, through its fully consolidated subsidiary Message Broadcast, with significant scope for growth and profitability. Message Broadcast is headquartered in Newport Beach, California, and is a leading provider of mission-critical customer engagement solutions to large US enterprise customers.



Message Broadcast was founded in 1998 by Bill Joiner and Bill Potter, leveraging innovative information technology to automate customer interactions. LINK acquired Message Broadcast in June 2021.

Bill Joiner

Bill Potter

Message Broadcast offers its proprietary CPaaS platform Enterprise Omnichannel Notification System (EONS) as well as API-driven communication for email, A2P SMS and voice communication services. The company operates within large industry verticals such as utilities, healthcare, telecommunications and financial services, all with operational and mission-critical communication needs strictly regulated by industry and government bodies.

Message Broadcast has two main revenue streams. Revenue from messaging solutions, which include messaging transactions, licenses and professional services. Alongside more volatile revenue from weather related critical events messaging, historically driven by wildfires in the Western US and hurricanes in the Gulf of Mexico and more recently also including winter related weather events across the US. For its utility clients, extreme weather events demand highly scaled communications capabilities, resulting in millions of digital health and public safety communications to consumers during a single event.

In 2022, Message Broadcast won several new contracts including two 3-year utilities agreements worth close to USD 8 million covering both messaging solutions and critical events messaging, not including unforeseen or non-committed messaging volumes.

In November 2022, LINK agreed to take over a customer base in the US carved-out from a larger undisclosed company. The customer base was fully merged with Message Broadcast in December to provide further diversification and growth opportunities in the US.

Message Broadcast serves large US brands, automating personalized conversations that increase customer engagement and satisfaction while reducing operational expenses. Notable clients include companies such as AT&T, Southern California Edison, Entergy and IBM.

AT&T	SOUTHERN CALIFORNIA EDISON® Energy for What's Ahead®
IBM	Entergy®

Message Broadcast increased its contribution to the group significantly in 2022 with traction on both messaging solutions and a more normalized level of critical events messaging. LINK sees excellent scope for further growth in 2023.

LINK product portfolio

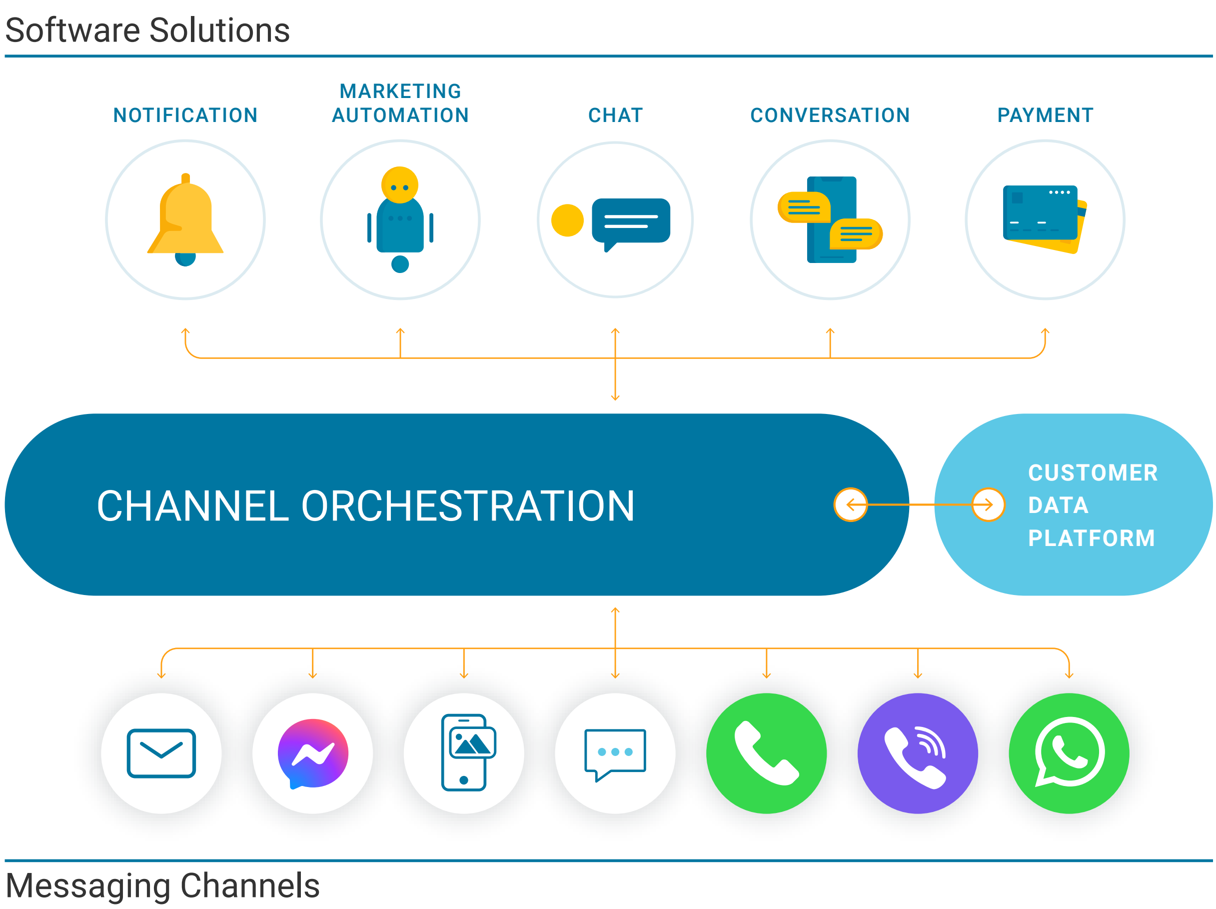
CHAPTER 06

LINK product portfolio

A2P messaging is advancing to CPaaS solutions with the emergence of new technologies that facilitate more sophisticated applications. LINK seeks to be a leader in digitalisation, with an offering that may surpass customer expectations, by creating products and solutions anticipating these market developments.

LINK's product portfolio is transitioning from basic one-way A2P messaging to conversational CPaaS solutions. The portfolio currently consists of messaging channels and software solutions. The shift towards conversational interfaces is primarily based on utilizing more advanced channels with greater capabilities than the basic channels. LINK is adapting to this transition by creating products which allow customers to choose their preferred communication with end users. When identifying the best solution, the focus is on customer objectives and needed system interactions to streamline or digitize the communication process. Once a successful solution has been designed, LINK achieves scalability by marketing the product to other industries and markets.

LINK CPaaS product offering



Messaging channels

LINK offers access to various messaging channels like SMS, WhatsApp, RCS and Viber and helps businesses combine these efficiently and effortlessly. This orchestration process ensures that our enterprise customers can reach their end users where they are at the right time and in the right format.

Software Solutions

Notifications

LINK provides a variety of solutions for executing traditional A2P notification messages. Customers can use these solutions from their web browsers to communicate with single recipients and large audiences for internal and external purposes. The primary channel for communication is SMS, which has global reach and high recipient attention. The solutions include several features such as opt-in and opt-out, automated responses and actions, two-way capabilities, forwarding, voting, and competitions to ensure efficient communication and user satisfaction for both sender and recipient.

Marketing automation

The solution efficiently engages and converts leads with the help of social media and search engine optimization. Advanced segmentation helps in accurate targeting, ensuring high returns on investment. The key to marketing success is sending automated campaigns with personalized content at the right time and through the right channel. The solution provides a visual builder accessible from the web browser to create templates and customer journeys across various channels. It is easily integrated with all data sources and provides an array of standard connectors to market leading systems. The customer data platform predicts customer preferences, sentiment, brand loyalty, and frustrations, enabling organizations to create personalized marketing campaigns, customer journeys and product recommendations.

Conversations

LINK Conversation facilitates mobile customer journeys that can be utilized for various purposes, including campaigns, sales, information, and newsletters. The solution supports rich content, including pictures, videos, and CTA buttons, and offers various channels such as SMS, RCS, WhatsApp, and the web. The visual builder in the proprietary user interface helps build customer journeys, and communication can be initiated from existing systems, the user interface, or even the customer. The solution improves customer experience and helps businesses and organizations drive customer and user communication engagement.

Chatbot

Xenioo is a solution that handles one-to-one interactions between customers and chatbots, live agents, or a combination to provide an excellent experience for both parties. It can be operated from a web browser or an existing application like CRM or CCaaS via standard integrations or APIs. Xenioo is an omnichannel solution that supports popular channels like web, SMS, WhatsApp, RCS, Messenger and Telegram. It can initiate customer interaction for automated conversational journeys such as surveys and payment journeys. The visual builder in the proprietary user interface helps build customer journeys. Xenioo streamlines processes and interactions to improve efficiency and customer experience.

Payment

LINK offers an integrated payment solution consolidating multiple payment channels. This service supports various payments, including event payments, reminder fees, digital services and content charges. Not only is it convenient for the customers, but it is also easy, efficient and secure. By using this cost-effective, dynamic and flexible payment service, the customer can eliminate the need for paper invoices.

Multi-Factor Authentication (MFA)

LINK delivers MFA solutions through OTP to a range of customers globally, with the usage of MFA solutions increasing substantially in recent years. OTP through MFA limits account theft and the creation of fake accounts. LINK offers standard integrations with market-leading MFA platforms, primarily using SMS to transport OTP due to its encrypted traffic, 100% mobile device reach, high attention, and no app download requirement. Other channels like Voice and WhatsApp are also available for OTP delivery, combining the best of SMS and native apps.

Connectivity

LINK offers global connectivity through local MNOs, providing customers with two-way communication worldwide. We also provide voice services such as masked calls, SIP (Session Initiation Protocol) trunking, and virtual numbers and offer look-up services to validate numbers and formats, retrieve customer information, and improve user experience.

Local products

In addition to the centralized products, LINK has several products adapted to the local market to meet customers' needs.

Product focus adapted to market trends

Customer Data Platform (CDP)

Enables predictive intelligence for personalisation. LINK's proprietary CDP is primarily utilized within marketing automation. The CDP can predict customer preferences, value, brand loyalty, sentiment, unmet needs, and frustrations, resulting in a dynamic layer of consumer intelligence that enables organizations to create personalized marketing campaigns, customer journeys and product recommendations. With the phasing out of third-party cookie tracking due to privacy concerns, CDP has become an increasingly important component of omnichannel messaging within the CPaaS space.

Orchestration

Intelligent orchestration is important for optimal communication across different channels and customer systems. LINK offers channel orchestration for advanced messaging, where channels are selected based on user preferences or performance. Application orchestration is also provided, with integrations and partnerships to optimize communication with other systems. This ensures that customers can target the right customers and have a full overview of communication across all channels and systems.

Sustainability at LINK

Annual Report 2022

CHAPTER 07

Sustainability at LINK

LINK's board of directors has adopted a policy to reflect the company's commitment to integrate ESG factors into its daily operations and as a part of its strategic processes. The board has considered these topics in relation to LINK's business operations and reviewed factors based on the UN Sustainable Development Goals (SDGs), the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

In 2021, LINK confirmed its commitment to integrating the Ten Principles of the UN Global Compact in its operations by becoming a signatory. The participation in the UN Global Compact continued in 2022, which reflects constant efforts to incorporate sustainability factors into our operations. In line with the UN Global Compact, LINK is committed to continuously progress in the four focus areas: Anti-Corruption, Human Rights, Environment & Labor. LINK's report for 2022 can be found here:
www.unglobalcompact.org/what-is-gc/participants/145208-LINK-Mobility-Group-Holding-ASA

Our sustainability report (herein) shows the key actions that we have implemented in these areas in 2021 and 2022 and our ambitions for 2023. The report is published in accordance with the EU non-financial reporting directive and the Norwegian Accounting Act Section 3-3C.

Materiality assessment

Since the global understanding of ESG as important factors affecting businesses across markets and industries gain ground, it is crucial for any business to understand and manage the risks and opportunities related to these topics, not only when making strategic decisions but also in its daily operations.

In a context that is constantly evolving, LINK recognizes that the areas affected by ESG factors may vary over time and it therefore performs an annual materiality assessment that reflects changes in the company's micro and macro environment. The topics listed below are the material risks and opportunities identified during accounting year 2022. The process of identification involved key department experts as well as other internal stakeholders such as the board members and employees.

Material topics for LINK

People	Diversity, inclusion and belonging Employee engagement Privacy and Security
Planet	Energy consumption, monitoring, and efficiency Establishing and operationalizing ethical business practices
Profit	Compliance with laws

People

The topics listed below are material for LINK as we believe we can have a positive impact on these factors. Our workforce is at the heart of our company, and we believe in growing together with our employees by empowering them.

Diversity, inclusion and belonging

LINK aims to have a diverse representation from all sections of society and for each employee to feel respected and valued, so they can perform at their best. At LINK, we do not tolerate any kind of discrimination based on origin, religion, gender or sexual orientation, state of health and/or disability, political opinions, religious beliefs or family status. These values are clearly stated in our Code of Conduct and upheld in our daily actions.

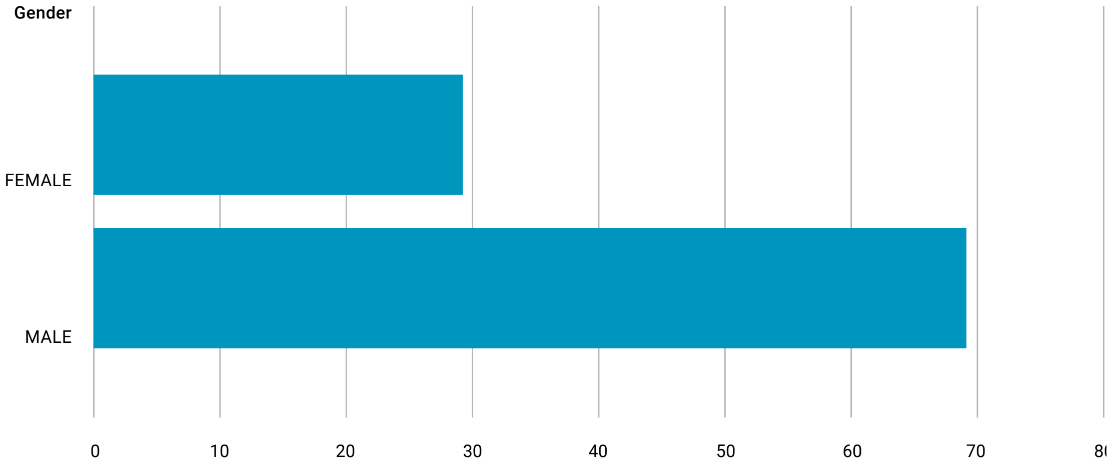
Gender equality

The board of LINK Mobility Group Holding ASA has 50% male and 50% female members.

The boards of the subsidiaries in LINK Mobility group combined have ~80% male and ~20% female members.

Our permanent and freelance contract workforce combined has ~70 % male and ~30 % female representation in Norway, which is in line with the information and communication industry average reporting in 2022. We have one employee who self-designates as any other gender currently, and the option is available to all. Our greatest areas for representative improvement are in our Global Leadership Team (GLT) and Extended Leadership Team (ELT), where women made up ~26 % and men ~74 % of the leadership groups in 2022.

Gender representation % in LINK Mobility Norway



LINK implemented an organization-wide human resources and employment position categorization system in 2021, which was required to gain a clear understanding of our worldwide workforce and connect our operations. With this system, we have been able to take the first steps toward quantitative data mapping on gender representation and compensation. Our CPSO is a regular contributor to the ODA network's leadership program for females in the tech industry on a voluntary basis.

Geographic diversity

LINK had operations in 18 countries in 2022, including Europe and the USA. National identification of employees is optional, based on office, but we know of 29 reported nationalities at LINK, representing 5 of the seven continents of the world. Our global headquarters in Oslo has employees representing 14 different nationalities.

Disability

LINK does not tolerate discrimination of any kind based on state of health and/or disability, and we offer accommodation wherever possible to ensure a quality work environment for all employees. We currently have employees who self-report as working with a disability.

Attraction and retention of skilled employees

A rapidly changing and complex industry requires the ability to attract and retain highly skilled employees, which may be supported by promoting diversity, inclusion and equal opportunities. LINK adheres to these values, openly stands against harassment and intimidation and focuses on treating personnel with respect and tolerance. These elements are regarded by LINK as important factors to attract and retain skilled personnel.

Our recruitment process follows policy guidelines including strategies and hiring manager training to attract more diverse candidates, with an emphasis on women, across all levels of responsibility in the organization.

Our 2023 ambitions within the area of diversity, inclusion and belonging

In 2023, LINK plans to conduct a detailed analysis of gender representation, compensation and benefits to more clearly measure and identify opportunities to increase diversity and narrow the gender pay gap. LINK will also continue to ensure that its procedures in diversity, inclusion and belonging are upheld and enforced.

Employee engagement – making LINK a better place to work

Remaining united with high employee engagement is an integral part of our values and culture, particularly as we grow and add new affiliates. We hold several monthly, bimonthly, quarterly and annual events to keep our employees informed about the latest developments and to present the results of our cooperative dedication.

All Hands

All Hands meetings are organized at the group, regional and local levels for employees on regular schedules. These meetings are used to share business updates from the past months, celebrate milestones and new arrivals and offer employees the opportunity to ask questions.

LINK Voice

Twice per year, we conduct a company-wide survey for all employees to express satisfaction or areas for improvement across a spectrum of issues. The LINK Voice survey is critical to gauging our employee engagement and overall satisfaction and managers also use the results to guide engagement action planning and decision-making in their departments.

Measuring our employee engagement

LINK's strategic vision for 2025 includes securing an employee engagement score of 75 on the LINK Voice survey conducted through the Culture Amp® platform, as we seek to be a highly desirable workplace in our industry. In November 2022, we experienced an all-time high LINK Voice participation rate of ~90% across the company and an employee engagement score of 67%. This score trails the New Tech Europe benchmark of 72% by 5 points, but this was an improvement for LINK over the 6-point difference in our score and the Culture Amp® industry benchmark one year earlier in 2022.

Our 2023 ambitions within the area of employee engagement

In 2023, LINK plans to strengthen the existing initiatives aimed at increasing the level of enthusiasm and dedication employees have towards the company. The goal is to further close the gap LINK has towards the industry benchmark, as represented by the score achieved through the Culture Amp® platform.

Privacy and security

Customer and employee privacy

As a provider of electronic communications services, LINK must make sure that our customers can trust the privacy of our services. Protecting personal data in line with the European General Data Protection Regulation (GDPR) and mitigating risks related to this subject is therefore a material topic for LINK. In 2022, LINK has implemented several measures to mitigate risks related to personal data protection:

Company-wide awareness and training

During 2022, LINK refreshed internal training on topics related to personal data protection, compliance, and information security. Each employee has been required to complete the training on a yearly basis. In 2022, the completion of this training was an obligatory factor considered under the company's bonus plan.

Company-wide policy updates and implementation

In 2022, LINK reviewed and published updated guidelines related to personal data protection, including Personal Data Protection Policy with supporting policies, Privacy by Design Guidelines and Data Breach Policies, and delivered company-wide training on the topic. To help identify and minimize the data protection risks of a project, LINK has made available a refreshed Data Protection Impact Assessment handbook. All privacy related policies and procedures are available to all employees at any time.

Focus on personal data protection and privacy compliance in new affiliates

All companies that were acquired by LINK before 2022 have approved and adopted the Personal Data Protection Policy directly and/or have implemented the policy or equivalent policies that are accepted by LINK as evidenced by the yearly audit process.

Binding Corporate Rules (BCR)

LINK has applied for BCR for its processing as Processor and as Controller under the GDPR, which will significantly improve the transparency of LINK's processes to comply with the GDPR. The application for BCR was submitted in 2022 and is currently being scrutinized by the competent authorities.

Larger scope for data privacy

Since 2018, LINK has focused on implementation of mitigations to risks in processing of personal data for our internal data and data of our customers. LINK has put in place a continuous improvement process focused on the following areas: (1) policy implementation, (2) encryption of data, (3) deletion of data, (4) access control, (5) security strategy.

IT security

LINK believes that information security is a continuous effort. All our digital channels serve a business purpose. To assure that the assets we provide to customers are safe to use, we employ a standardized approach to information security from both internal and external vectors. One main policy regarding IT security has been implemented.

Information Security Policy

The Information Security Policy is an overarching document that contains all major directions, as well as several sub-policies. The overall guidelines to follow are based on ISO 27K frameworks as well as GDPR.

Privacy by design and zero trust

There are two prevalent approaches that are being instilled in our daily development and processing workflows. Privacy by design and zero trust. The purpose of the security policy is to establish a framework for the protection of information at LINK and all subsidiaries, so that critical or sensitive information and systems preserve their confidentiality, integrity and availability. It is the policy to permit the use, access and disclosure of information in accordance with the company's guidelines and with due regard to applicable laws at any time. Based on risk assessment, the company establishes a level of safety that corresponds to the importance of the information in question. LINK carries out frequent risk assessments to determine the current "threatscape" and subsequently react based on the final evaluation. The document also describes the security strategy, which consists of elements such as responsibilities and organizational levels, training, collection and management of information, etc. The Information Security Policy document is updated on a regular basis and it is approved by LINK's group leadership team, preceded by a wide review of specialists.

Our 2023 ambitions within the area of data privacy and IT security

Data retention

In 2023, we would like to prioritize the automation of data retention, especially to increase the automation of data deletion processes. Roadmaps and action plans have been laid down by internal and business IT teams to focus on data retention in business IT systems.

Increasing awareness and training participation

In 2022, LINK introduced monetary incentives to encourage employees to participate in groupwide training and achieved more than 90% participation. In 2023, we aim to maintain our high levels of compliance and participation achieved.

Access control

Managing access to critical systems continues to be a priority for LINK. In 2023, we will further strength our controls with additional measures for managing access.

CISO function

In 2023, LINK plans to establish a group-wide Chief Information Security Officer to better manage and supervise all issues related to information security.

Planet

Energy consumption, monitoring and efficiency

LINK is aware of the environmental impact of its operations and the need to balance our energy consumption. As a significant consumer of data storage, the mobile communications industry may positively affect global energy consumption, but it is also vulnerable to disruptions and failure. LINK is in the initial stages of defining processes for evaluating our material and resource usage and will continue to work towards a better understanding of our current impact as well as putting in place action plans for areas of improvement.

Suppliers' assessment

LINK has ensured that environmental aspects are taken into account during the assessment of new providers. The relevant assessment is based on a risk analysis and performed within the supplier due diligence process. LINK pays particular attention to the selection of well recognized international hosting providers that have efficient energy management systems in place.

Material use

With a business model that relies heavily on the use of IT infrastructure, LINK is aware that the materials used in manufacturing our IT infrastructure have an impact on the environment. The first step in evaluating the environmental impact of material and resource use will be implemented in the future by initiating the process of mapping all IT equipment in data centers and offices.

Greenhouse Gas (GHG) emissions

To get a better picture of energy consumption and greenhouse gas emissions related to our activities, LINK in 2022 collected detailed information from its European and US entities. Going forward, LINK will continue to expand our data collection methodology with improvements to the data quality and availability.

The most significant source of emissions from LINK is indirect emission from electricity use. For 2022, we report on direct emissions (Scope 1) and indirect emission (Scope 2) from electricity use and district heating/cooling. This includes electricity emissions from our own offices. Scope 2 does not include emissions from hosted data centers and cloud hosting, which would be categorized as Scope 3 emissions. Our goal is to include Scope 3 emissions in the future to get a more comprehensive picture of LINK's climate footprint.

Calculation of gas emissions

The calculations have been made according to the Greenhouse Gas Protocol (GHGP). Emissions have been calculated for direct emissions (Scope 1) including emissions from stationary combustion (use of natural gas for heating) and use of fossil fuels in cars owned or leased by LINK. Indirect emissions (Scope 2) are calculated based on energy use in LINK subsidiaries' offices. Subsidiaries with less than 15 employees have been excluded, unless they share offices with another LINK company giving a total of 15 or more employees. The basis for this exclusion is that smaller offices are frequently based on shared office space solutions where specific data related to LINK is not possible or practical to extract and wide use of home-office.

Scope 2 are emissions from the production of electricity and district heating. Scope 2 emissions from electricity production are, according to GHGP, calculated both according to the estimated carbon content of the electricity grid in the different countries (location-based) or with a market-based method where the electricity mix is adjusted for net import/export of Guarantees of Origin (GOs) in the respective countries.

See notes 1 and 3 in the consolidated financial statement for further explanation of organization and principles of consolidation.

LINK's GHG-emission from 1st January to 31st December 2022 is summarized in the table below. Indirect (Scope 2) emissions are the largest source of emissions related to LINK's business activities. Most of Scope 2 emissions are linked to electricity use at offices. Of total energy use at offices, approximately 72.1% is electricity and about 27.1% comes from district heating.

Category	Emissions(tCO²e)	Share of emissions
Scope 1	**40.9**	
Scope 2 (location based)	**267.5**	**87 %**
Scope 2 (market based)	*328.3*	*89 %*
Total		
Scope 1 + Scope 2 (location based)	**308.4**	**100 %**
Scope 1 + Scope 2 (market based)	*369.2*	*100 %*

For further insights into calculations and scope, please visit LINK Mobility's GHG report on https://www.linkmobility.com/investors/ghg-report

Positive indirect impact

LINK goes beyond its direct impact on GHG emission and looks to contribute to global reduction of emissions. The essence of operating within the digital industry is to reduce emissions related to tasks that will otherwise require travel. By helping customers to move some of their communication into a virtual world, we strive to reduce emissions from their daily operations.

Employees' awareness

In addition to working on our direct operations, it is our responsibility to educate our employees about environmental issues. In 2022, each of LINK's affiliates implemented at least one action related to climate change in their local settings. There were also several other environmental actions carried out to raise employees' awareness. These included, among others:

- A Climate Awareness Day, organized in August 2022, when employees were invited to help cleaning up a beach at an island, Hovedøya, in Oslo;
- A Climate Championship, organized together with "Framtiden i våre hender", a Norwegian NGO, in September 2022, when employees registered their daily footprint-reducing activities to collect points, and competed on a team level, with the main objective of raising awareness about what can be done to reduce individual emissions.

Our 2023 ambitions within the area of energy consumption, monitoring and efficiency

Energy consumption

LINK will continue the energy assessment of its providers and its own operations. We will continue and improve the collection of greenhouse gas emission to include scope 3 emissions and to get a more comprehensive picture of LINK's climate footprint. The results will form a basis for defining energy efficiency targets.

Establishing and operationalizing ethical business practices

Ethical business practices shall govern the operations of any responsible enterprise in the modern world. They underpin the creation of ethical, trust-based corporate culture, where people act not only in line with specific legal requirements, but they also take into consideration moral values in order to do even more than the law requires.

For the foundation and principles for LINK's corporate governance structure, please see the board statement on corporate governance under the board of directors' report below.

Employee Code of Conduct

LINK's Employee Code of Conduct, based on the Ten Principles provided by the UN Global Compact, reflects our core values of being united, dedicated and enthusiastic. It applies to all employees as well as to management and to board members, with the aim to foster an ethical business culture, the cornerstone of a sustainable company.

Supplier Code of Conduct

LINK's Supplier Code of Conduct, based on the Ten Principles provided by the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, aims to ensure that our values and commitment to ethical business conduct are reflected in our expectations towards third parties. LINK strives to develop long-lasting, trusting and mutually beneficial relationships with suppliers and business partners, who share strong values and who demonstrate the same commitment to operating responsibly and ethically. LINK expects its suppliers, consultants, contractors and any other business partners to show the same commitment to ethical business practices as we do in LINK.

Embedding responsible business conduct into LINK's daily operations

With the increased global understanding that ESG factors affect business across markets and industries, it is crucial for any digital business to understand the effects on expectations for technology to meet and exceed requirements and make them part of strategic decisions and daily operations. To embed responsible business conduct into its daily business. LINK has adopted several policies, including ESG, Anti-Corruption, Anti-Trust, Privacy, Security, Corporate Governance, Whistleblowing and others, and has introduced relevant measures to implement them.

Our 2023 ambitions within the area of ethical business practices

Promote ethical business practices

In 2023, LINK commits to further disseminate its core values by promoting its Employee and Supplier Codes of Conduct, providing training to employees, supporting ethical attitude in its daily operations and by a regular follow up on its policies.

Profit

Compliance with laws

LINK operates in a number of jurisdictions and is subject to laws and regulations that involve matters central to LINK's business. Such laws and regulations are in a wide range of areas. Examples include the electronic communications sector, privacy, data protection, anti-corruption, employment law, human rights, competition and sustainability.

To ensure compliance with obligations LINK is subject to, including applicable laws, LINK has implemented a Compliance Management System (CMS) for systematic follow-up of defined standards and objectives at group level. LINK's processes for identification of applicable legislation and processes for operational implementation are part of the CMS.

Anti-Corruption

Bribery and corruption undermine any legitimate business operations and is therefore an area of focus at LINK. In line with our values, laws and regulations governing all areas where we operate, LINK puts into practice its commitment, as outlined in its Anti-Corruption Policy and codes of conduct, to fight against corruption in all its forms by gradually introducing a comprehensive anti-corruption system.

- Anti-Bribery and Anti-Corruption Policy. Compliance with anti-bribery and anti-corruption laws is of key importance to all of LINK's businesses, which has been reflected by adoption of Anti-Bribery and Anti-Corruption Policy. The policy was adopted in 2021 and reviewed in 2022.
- Employee Code of Conduct. At LINK, we do not tolerate corruption in any form, including bribery, facilitation payments or trading in influence. Our Employee Code of Conduct clearly states our commitment to anti-corruption in business practices.
- Supplier Code of Conduct. Anti-corruption is one of four focus areas of LINK's supplier due diligence process that was initiated in 2021 and further developed in 2022. Like our Employee Code of Conduct, our Supplier Code of Conduct states zero tolerance of corruption in relation to third parties.
- Training. All LINK's employees and contractors are required to complete an annual training program covering areas of key importance to perform their work, including anti-corruption. In 2022, the completion of the training program was set as a key performance indicator for the employee' bonus program.
- A global whistleblowing system. LINK's current whistleblowing system was set up in May 2021 and is available to all LINK affiliates. It allows all employees, as well as external and temporary employees and contractors, to issue an alert securely and confidentially via an outsourced internet platform. These reports can relate to acts of corruption or other ethical issues (environment, security, fraud, personal data, human rights, etc.) and, more generally, to any situation or conduct that may be contrary to the codes of conduct. The overall system architecture was designed to provide a means of filing reports and processing them internally, while ensuring complete confidentiality. Rules governing the use of the Integrity Line set out the whistle-blowers' rights and responsibilities so that the system can operate smoothly in a climate of trust.

Fundamental human rights and decent working conditions

LINK has implemented several measures with the purpose of ensuring that all managers and employees commit to operating consistently with the UN Guiding Principles on Business and Human Rights and the Ten Principles of the UN Global Compact:

- Employee Code of Conduct. The values of human rights are included in LINK's Employee Code of Conduct, which clearly states that we oppose all forms of forced labour and child labour in our operations, report on any human rights abuse in our operations or in those of our business partners and always apply national labour laws and regulations.
- Whistleblowing. LINK has established a global whistleblowing channel, to allow existing and former employees and contractors, on all levels, to raise concerns or to report any suspected or potential breach without fear of retaliation.

Transparency

The Transparency Act (Åpenhetsloven) is a Norwegian law that came into effect on July 1st, 2022. The Act promotes enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services.

The Act imposes certain obligations regarding respect for fundamental human rights and decent working conditions. The account for due diligence, as required by the Act, constitutes a separate document that is accessible at LINK's corporate webpage linkmobility.com/investors/transparency-act-report

A summary of the processes in place regarding due diligence for its suppliers and business partners is provided below.

Third parties' assessment - the supplier due diligence process

LINK is committed to promoting fundamental human rights and decent working conditions in its operations. It is therefore of importance for LINK to avoid causing adverse impacts on people, the environment and society in its daily operations, as well as avoiding contribution to such adverse impacts in its relations with stakeholders, including suppliers and business partners.

Within the process of providing services, LINK depends on several types of suppliers, including entities operating in the telecommunication industry (MNOs, aggregators, OTT providers, RCS providers, etc.), IT sector entities (hosting, server and storage solution providers, software providers), as well as a variety of other supply-side partners.

Since 2021, certain actions have been taken up, aimed at identifying and organizing LINK's relations with suppliers, enabling the company to act responsibly and to create added value throughout its value chain. Basic Supplier Due Diligence (SDD) process, designed and introduced in 2021, has been further developed in 2022. It follows the methodology proposed by the OECD Due Diligence Guidance for Responsible Business Conduct, which reflects standards set up in the OCED Guidelines for Multinational Enterprises. The process fulfils LINK's obligation to carry out due diligence in accordance with the Transparency Act that came into force in 2022.

LINK's supplier due diligence process aims to integrate the principles of responsible business conduct into our daily operation and in relation to the various stakeholders. The focus areas of the process include ESG factors, covering inter alia fundamental human rights and decent working conditions, as well as other areas such as data privacy, anti-corruption and antitrust.

In 2022, the SDD process has primarily included re-assessment of risk associated with third parties, followed by the introduction of measures aimed at addressing the identified risk. The following measures have been implemented:

- Supplier Code of Conduct. Embedding LINK's core values into corporate policies and subsequently developing relevant codes of conduct for the supply chain has been an important step in raising stakeholders' awareness. First introduced in 2021, and applied ever since, our Supplier Code of Conduct conveys a clear message of LINK's expectations within areas covered by ESG, anti-corruption, competition and privacy policies, and contributes to improving sustainability through LINK's value chain.
- Employee Code of Conduct. The Employee Code of Conduct is an important tool for raising employees' awareness regarding embedding LINK's core values and ethical foundation. The code was updated in 2021 and conveys a clear message of LINK's expectations within areas covered by ESG, anti-corruption, competition and privacy policies, and contributes to improving sustainability in LINK's operations.
- Employees training. Training is a measure of raising employees' awareness of various compliance issues, including the required conduct towards third parties. GDPR and IT security training has been obligatory for all LINK employees for several years and in 2021 the company additionally launched general compliance training, covering sustainability, anti-corruption and competition policies. All new employees are expected to complete both training courses upon commencement of their employment at LINK and subsequently every year.
- SDD questionnaire. The SDD questionnaire, developed in 2021, has acted as a primary guidance tool in the SDD process since 2022. It has been identified as an effective measure to raise employees' awareness of compliance issues and to collect relevant knowledge on third parties. The questionnaire instructs employees on steps that should be performed when onboarding an individual provider, depending on the associated risk that is assessed based on the embedded indicators.
- Contract measures. LINK expects its suppliers to adhere to standards set out in the Supplier Code of Conduct. The company has therefore defined relevant clauses that have been introduced in selected supplier contracts, depending on the specificity of a particular contractual relationship.
- Privacy / IT security questionnaires. LINK uses the questionnaires to mitigate risks related to the processing of personal data in vendors' systems.

Fair Competition

Abiding by antitrust rules is fundamental for creating and sustaining a competitive economy which ultimately benefits society. Compliance with antitrust laws is of key importance to LINK. Antitrust laws are designed to guarantee free and open competition in a capitalist economy and to prohibit anti-competitive behaviour by either individual players acting alone or multiple players acting together.

In line with our values, laws and regulations governing all areas where it operates, LINK puts into practice its commitment, as outlined in its Anti-Trust Policy and codes of conduct, to promote fair competition. Implementing principles of antitrust and fair competition in LINK's normal course of business is a defined objective in LINK.

- Anti-Trust Policy. Compliance with competition laws is of key importance to LINK, which has been reflected by the adoption of the Anti-Trust Policy. The policy was adopted in 2021 and reviewed in 2022.
- Supplier Code of Conduct. Fair competition is one of the focus areas of LINK's supplier due diligence process that was initiated in 2021 and further developed in 2022. Our Supplier Code of Conduct states zero tolerance of breach with competition regulations.
- Training. All LINK's employees and contractors are required to complete an annual training program covering areas of key importance to perform their work, including fair competition. In 2022, the completion of the training program was set as a key performance indicator for the employee' bonus program.
- A global whistleblowing system. LINK's current whistleblowing system was set up in May 2021 and is available to all LINK affiliates. It allows all employees, as well as external and temporary employees and contractors, to issue an alert securely and confidentially via an outsourced internet platform. These reports can relate to acts of corruption or other ethical issues (environment, security, fraud, personal data, human rights, etc.) and, more generally, to any situation or conduct that may be contrary to the codes of conduct. The overall system architecture was designed to provide a means of filing reports and processing them internally, while ensuring complete confidentiality. Rules governing the use of the Integrity Line set out the whistle-blowers' rights and responsibilities so that the system can operate smoothly in a climate of trust.

Raising employees' awareness

All LINK's employees and contractors are required to complete an annual training program on compliance, privacy and GDPR. In 2022, the completion of the training program has constituted one of the key performance indicators of the employee bonus program. To raise employees' awareness within the area of compliance, LINK in 2022 started an initiative of a regular "Legal & Compliance Update" that is available to all employees and that presents various current legal and compliance topics in an easy and concise format.

Our 2023 ambitions within the area of compliance

Transparency reporting

LINK commits to make a regular assessment of its obligations under the Transparency Act and to act in accordance with it. The first report has already been published on LINK's webpage as required by the law.

Increasing the scope of third parties covered by the due diligence process

In 2021, the suppliers' mapping covered telecommunication vendors. In 2022, the process covered vendors operating within both the telecommunication and the IT sectors. The aim for 2023 is to extend the process to further groups of suppliers and business partners.

Increasing awareness

The introduction of the employees' compliance training and the implementation of the supplier due diligence process has already contributed to the recognition and understanding of the sustainability issues among employees. LINK's ambition is to further disseminate and promote this knowledge within its own organisation and towards third parties.

Report from the Board of Directors

Annual Report 2022

CHAPTER 08

Report from the Board of Directors

LINK Mobility Group Holding ASA (LINK) is headquartered in Oslo and listed on the Oslo Stock Exchange (OSE). The group has 700 employees across Europe and in the US with 30 offices located in 18 countries.

LINK has more than 20 years of experience in providing mobile messaging services and mobile solutions for businesses, public sectors and organizations. LINK has for decades operated in the Nordics, the world's most innovative market for digital mobile solutions, and has leveraged its knowledge and capabilities to become the clear market leader within enterprise mobile messaging solutions in Europe and expanded to the US in recent years. Given its experience and reach, LINK is uniquely positioned to benefit from the increased usage of mobile messaging solutions globally.

Market position and development

Market growth and the trend towards more advanced digital messaging solutions continued in 2022. The new channels complementing SMS with richer content and conversational features, RCS (SMS 2.0) and OTT (internet streaming) in CPaaS solutions are a requirement to win new customer contracts. More advanced CPaaS solutions however have slower adoption rates and longer revenue lead times as clients need to adapt their value chains. Market growth is however expected to accelerate as digital messaging solutions increasingly become the preferred end user communication for businesses, public sectors and organizations.

In 2022, LINK sent 17.4 billion messages (including the full-year effect of acquired entities), compared to 16.4 billion messages the previous year, on behalf of its 50 thousand customers. The market for mobile messaging solutions is expected to continue to expand with the vast opportunities presented by new CPaaS solutions.

LINK has an exceptionally low customer churn (0.96% in 2022) securing recurring and potential for growing revenue from existing clients. Most customers increase their use of LINK's digital messaging and include more advanced solutions over time as they realize high Returns on Investment (ROI). ROI is driven by higher revenue from more satisfied customers and lower costs through more efficient internal processes.

LINK drives organic growth with increased usage from existing customers and through new customer wins. In addition, market share is increased and new markets entered through acquisitions. M&A is also supportive to the product offering through acquisitions of solutions companies. The new solutions advance the CPaaS offering and create additional value for LINK's large customer base. Please refer to section "LINK to execute on profitability in 2023" for chatbot Xenioo as an example.

Organic growth is supported by LINK's Go-to-Market (GTM) strategy. Larger enterprise customers are approached directly by dedicated salespeople, Small and Medium-sized Enterprises (SMEs) are acquired through Self-Sign Up (SSU) portals and the partner model further expands the reach. LINK's tailored and innovative enterprise solutions are later standardized to SaaS solutions and offered to SMEs. The partner network scale the business as LINK solutions are offered partner customers and partner applications are made available to LINK customers.

LINK's extensive use case library from a large innovative customer base in advanced markets for digital messaging give the group a clear competitive advantage.

Comments related to the financial statements

In accordance with the Norwegian Accounting Act §3.3.a the board confirms that the company fulfils the requirements necessary to operate as a going concern and the 2022 financial statements have been prepared based on that assumption. As a listed company, LINK Mobility Group Holding ASA prepared the consolidated financial statements for the financial year 2022 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Acquisitions

In November 2022, LINK agreed to take over a US customer base carved-out from a larger undisclosed company. The customer base has been merged with Message Broadcast to provide further diversification and growth opportunities in the US. The purchase price was settled in cash a multiple equal to the financial policy ceiling of 3.5x leverage.

Revenue, costs, and profits

LINK reported revenue of NOK 5 190 million in 2022, an increase of 18% from NOK 4 410 million in 2021. LINK's gross profit was NOK 1 385 million (NOK 1 200 million).

Operating costs (including payroll and related services and other operating expenses) were NOK 907 million (NOK 896 million) and include non-recurring costs of NOK 148 million. The non-recurring costs include a share-based compensation program of NOK 44 million, restructuring costs of NOK 22 million and expenses related to acquisitions of NOK 32 million. Depreciation and amortization were NOK 416 million (NOK 338 million) and there was an impairment of intangible assets and goodwill of NOK 180 million related to the Spanish footprint.

Net financial items amounted to negative NOK 37 million (negative NOK 14 million) and constituted a net interest expense of NOK 149 million linked to an outstanding bond, net other financial expenses of NOK 18 million and a positive currency effect of NOK 94 million. LINK's outstanding EUR 370 million bond carries a fixed coupon of 3.375% and matures in December 2025.

Income tax was positive NOK 4 million (negative NOK 30 million), resulting in a net loss for LINK of NOK 151 million (negative NOK 78 million) in 2022.

Annual result and allocation

The board proposes that the 2022 net loss will be transferred to accumulated losses.

Financial position, cash flow, and liquidity

As of 31 December 2022, LINK's total assets amounted to NOK 10 994 million (NOK 10 540 million), of which intangible assets were NOK 8 718 million (NOK 8 561 million). Intangible assets are mainly comprised of goodwill equal to NOK 5 788 million (NOK 5 615 million). Trade receivables and other receivables amounted to NOK 1 244 million (NOK 905 million) and cash and cash equivalents to NOK 827 million (NOK 844 million). Total equity was NOK 5 226 (NOK 5 090 million) and constituted of NOK 1 million in share capital, a share premium of NOK 5 856 million, and negative NOK 632 million in accumulated losses and translation differences.

Long-term liabilities were NOK 4 416 million (NOK 4 317 million) and consisted mainly of a EUR 370 million bond. LINK's cash flow from operating activities during 2022 was NOK 421 million (NOK 356 million) and significantly better than the net loss reported for the year mainly due to non-recurring costs with a limited or no cash effect and non-cash depreciation and amortization expenses. Cash flow from investing activities was negative NOK 242 million (negative 2 009 million). The acquisition of Message Broadcast in the US the previous year explain the large reduction in 2022. Cash flows from financing activities amounted to a negative NOK 233 million (NOK 1 568 million), mainly reflecting interest payments of NOK 142 million and repayment of borrowings of NOK 81 million.

Risks

LINK has defined six risk areas under which risks are identified that are a threat to LINK's objectives. Market risk, financial risk, acquisition risk, IT risk, legal & compliance risk and operational risk. Identifying and mitigating risks are vital to prevent the successful implementation of LINK's business strategy or manage its growth effectively.

The below section describes how the Global Leadership Team (GLT) evaluates and mitigates these risks and includes comments on increased macroeconomic uncertainty.

Market risk

LINK risks related to its customers and competition, hereunder loss of contracts and opportunities, are managed under the headline of market risk.

LINK's revenue, costs and profits are subject to the risk of changes in customer and supplier prices. As expected, simple use cases like One-Time Passwords (OTP) or Two-Factor Authentications (2FA), wholesale SMS trading and basic mobile payment services are exposed to margin pressure. LINK is however only exposed to simple use cases to a limited degree as the group's strategy is long term customer relationships through enterprise CPaaS solutions. This strategy has resulted in a very low customer churn and growing recurring revenue. LINK did not experience any material margin pressure for enterprise solutions in 2022 and expects increased adoption of more advanced CPaaS solutions to be supportive to margins in coming years.

The A2P SMS market grows in the high single digits annually as adoption increases throughout markets and industries. LINK is operating in a market with one-way mass communication through A2P SMS transitioning to conversational communication on multi-channel CPaaS solutions. The evolution of SMS to RCS and the addition of new OTT channels like WhatsApp and Viber enables brands to communicate with their customers on their preferred format. These new channel technologies offer vast value creation opportunities and the market growth for CPaaS is thus expected to be higher when adoption of advanced solutions reach critical mass. Currently, the CPaaS market remain small compared to the more penetrated A2P SMS market.

The timeline to reach critical mass is uncertain and a risk for growth in the CPaaS industry. LINK however believes its channel-agnostic approach limits this risk as the company is versatile to adopt to channels and solutions as they mature and gain traction in the market.

Financial risk

LINK's business activities expose the group to financial risks related to prices, currencies, interest rates, credit and liquidity. Overall, these risks are regarded as low and manageable.

As a leading provider, LINK may obtain volume discounts for SMS purchases from Mobile Network Operators (MNOs) and provide high quality deliverability for its customers as a trusted MNO partner. Over time the growth in new OTT channels competing with MNOs could be beneficial for channel agnostic CPaaS companies.

The group undertakes business in foreign currencies and is consequently exposed to fluctuations in exchange rates. Foreign exchange risk arises from transactions related to operations conducted, and assets and liabilities arising in foreign currencies. LINK's subsidiaries operate using their local currencies with revenue and costs for transactions usually carried out in the same currency. This natural hedge reduces the currency risk and protects margins. There is, however, a translation effect to LINK's reporting currency NOK as changes in NOK to underlying currencies will impact reported figures.

Increased macroeconomic uncertainty may affect LINK's ability to refinance its 5-year EUR 370 million outstanding bond maturing in December 2025. The bond is listed on the Oslo Stock Exchange and carries a fixed coupon of 3.375% per year, exposing LINK to interest rate risk upon refinancing. The EUR bond also exposes LINK to additional exchange rate risk. This currency risk is however mitigated by LINK's significant cash flow exposure to EUR. Through both revenue enhancing commercial initiatives and cost reducing initiatives, LINK expects to improve future cash flows and financial results which will support deleveraging of the company. A prudent debt level and plans for a credit rating are main leavers to secure future refinancing of current debt.

LINK's credit risk is limited to trade and other receivables and mitigated by the group's guidelines to ensure that credit sales are only made to customers with a high credit rating. Customers with a low credit rating are required to prepay for services rendered by the group.

LINK considers its liquidity risk to be limited and has sufficient liquidity available on bank accounts as of year-end 2022 to fund its operations and strategy for growth. LINK has established efficient routines to monitor and handle overdue trade receivables across its footprint and only saw marginal losses in 2022.

LINK manages financial risk with an emphasis to minimize its exposure and holds no financial assets or liabilities for speculative purposes.

Acquisition risk

Value creation through the acquisition of businesses requires the successful purchase of suitable companies at sound multiples and well-managed integrations to realize synergies and scale advantages. Failure to realize synergies or winner's curse through overpayment for acquired companies may lead to significant value destruction. The results of the prior year's acquisitions confirm that LINK has such expertise. In 2022, the organizational structure and key functions were further developed to ensure even more efficient integration of new businesses. Please refer to section "LINK to execute on profitability in 2023" including a description of LINK's pragmatic M&A strategy.

The board has established routines and procedures regarding possible takeovers. This procedure does not include any content regarding countermeasures like poison pills or other defence measures to hinder a possible takeover of the group.

IT risk

IT risk includes risks related to LINK's architecture, data management, information security, software development, internal infrastructure and IT Services, business IT and processes, and external threats, hereunder cyber incidents. IT risk is managed by central IT functions under the authority of LINK's Chief Technology Officer. LINK's processes are based on a top-down approach, where LINK defines policies and procedures for subsidiaries to implement locally. The central IT function provides support and counselling to local entities depending on requirements in the covered areas.

LINK is taking steps to enhance and increase focus on the efforts to minimize the potential loss caused by inadequate or failed internal processes, or from external or internal incidents. Processes to manage the causes or mitigating the impacts of risks in these areas are therefore continuously implemented. In 2022, the following actions should be noticed:

1. Continuous alignment at group level for the process to perform internal/external penetration testing on LINK's platforms
2. Continuous structuring of LINK's approach to documenting its information security management system
3. Group-wide implementation of incident management processes

Legal & compliance risk

Legal & compliance risk includes financial or reputational damage that can result from a lack of awareness or misunderstanding of ambiguity in, or indifference to, the way laws, regulations, and commitments apply to LINK. Legal & compliance risk at LINK is managed by a group function under the authority of the CEO. LINK's processes are based on a top-down approach, where LINK defines policies and procedures for subsidiaries to implement locally. The group function provides support and counselling to local entities depending on requirements in the covered areas, hereunder areas such as contract alignment and negotiation, GDPR compliance, sustainability, compliance with anti-money laundering regulations, fair competition, and supplier due diligence. Internal annual audits are performed for compliance with GDPR. Policies are accessible to employees at the LINK Intranet and training is provided.

Operational risk

Operational risks at LINK include risks related to human rights, health and safety, security, and leadership and organization. The area thus covers people, buildings, assets, internal structures and external events.

The safety of all employees is a key priority throughout LINK from headquarters to every local subsidiary.

The development of a skilled organization with regards to leadership and key area competence is crucial for LINK's competitiveness, and therefore a top priority.

Recruitment, training and people management, as well as dedication to equality and diversity, are areas that are continuously developed to ensure growth and robustness in the organization.

LINK is taking steps to enhance and increase focus on its efforts to minimize potential losses from inadequate or failed internal processes or from external events. Processes to manage the causes or mitigate the impacts of risks in these areas are continuously implemented. In 2022, the following actions should be noticed:

- LINK's introduction of a group-wide system to ensure alignment with group-wide processes and policies, and mitigating negative impact through detective controls

Macroeconomic uncertainty

Increased global tensions and financial uncertainty could be negative for world economic growth and indirectly affect LINK's global operations. LINK is however well-diversified with fifty thousand customers of all sizes in numerous industries and geographies. As these various industries and markets are likely to be impacted differently from global shifts, the effect for LINK should be mitigated. LINK has no direct business activities in Ukraine or Russia.

LINK's IT security team has reassessed its exposure to cyber incidents taking both operations and stakeholders into account. The conclusion as of April 2023 is no major risk increase for LINK.

Through to the end of April 2023, LINK has observed expected business activity in Europe and the US. No material effects from volatile financial markets have been experienced by LINK.

Shareholders and shares

LINK issued new shares in 2022 related to Management Incentive Programs (MIP). Throughout the year, the number of shares in the company increased from 294,252,254 shares to 295,890,306 shares, with formal registration of the last issued shares on January 3rd, 2023.

On 3rd June 2022, LINK issued a total of 588,127 new shares at a subscription price of NOK 9.29 per share in connection with the Employee Share Purchase Program (ESPP). Under the terms of the ESPP, all employees were given the opportunity to apply for shares for up to a maximum amount of NOK 100,000. The subscription price was based on a seven-day Volume Weighted Average share Price (VWAP) to which a discount was applied. Following the issuance, the share capital of the company was NOK 1,474,201.905 divided into 294,840,381 shares, each with a nominal value of NOK 0.005.

On 14th November 2022, 929,457 new shares were issued as part of the Restricted Stock Units (RSUs) program. Following the issuance, the share capital of the company was NOK 1,478,849.19 divided into 295,769,838 shares, each with a nominal value of NOK 0.005. At year-end 2022, 1,130,728 shares included in the program remained to be issued during 2023.

On 24th November 2022, 120,468 new shares were issued as part of ESPP. Following the issuance, the share capital of the company was NOK 1,479,451.53 divided into 295,890,306 shares, each with a nominal value of NOK 0.005. These shares were formally registered with the Norwegian Register of Business Enterprises on January 3rd, 2023.

At the Annual General Meeting (AGM) on May 31st, the board was given the authorization to issue shares amounting to up to 20% of the share capital of the company to strengthen the equity position in relation to acquisitions. The board was also granted the option to acquire treasury shares of up to 10% of the share capital and in addition provided the right to issue shares in relation to MIP. At an Extraordinary General Meeting (EGM) on July 12th, the board's authorization to issue shares in relation to MIP was renewed to include share options which can be granted to the chairperson. Options were granted to the chairperson on 1st September. The authorizations are valid until the AGM in 2023.

A LINK share represents one vote at the company's general meeting. LINK does not have multiple share classes. The shares are freely tradable and to the knowledge of the board, there are no shareholders' agreements in the company regarding the exercise of voting power or limiting trading in the shares in general. However, in connection with company acquisitions, major shareholders and shares issued to majority sellers can be subject to customary 12 – 18 months lockups from the time of completion.

LINK at year-end 2022 had more than 3,000 shareholders, of which the largest 10 shareholders combined controlled 66% of the company. Abry Partners, represented by Citibank as nominee, was the largest single controlling shareholder with a 31.7% stake through subsidiary holdings.

The LINK Mobility Group Holding ASA share closed at NOK 7.52 on the Oslo Stock Exchange at year-end 2022, depreciating 61% mainly reflecting a general repricing of growth and technology stocks.

Organization, workforce, and management

LINK's workforce, coupled with its technology, is the most important asset both in terms of serving LINK's customers of today and for the future development of the company. LINK continues to strengthen and focus on strategic functions with reorganizing internal competencies and with emphasis on the sales departments through streamlined sales skills development and measurements.

Regional segments have also been restructured to maximize synergies. By the end of 2022, LINK had 688 permanent employees. 34.16% of the total LINK workforce is women, compared to 34% in 2021. The GLT consists of 8 people, 2 women and 6 men. The working environment is regarded as positive. None of LINK's subsidiaries or the parent company recorded work-related accidents that resulted in personal injury or property damage.

Board statement on corporate governance

This statement forms part of the board of directors' report and describes the foundation and principles for LINK's corporate governance structure. Further information can be found at LINK 's website (linkmobility.com/investors/sustainablilty) and in the "Sustainability at LINK" section of this report.

LINK believes in transparent corporate governance processes, and that good corporate governance will strengthen confidence, and help to ensure sustainable value creation in the best interests of shareholders, employees and other stakeholders.

1. Applicable legislation and principles

LINK is subject to corporate governance reporting requirements according to the Norwegian Accounting Act, section 3-3b, Issuer Rules by the Oslo Stock Exchange (Oslo Rulebook II – Issuer Rules, Chapter 4.4), and the Norwegian Code of Practice for Corporate Governance ("Code"). The regulations are openly available on www.lovdata.no, www.oslobors.no, and www.nues.no, respectively.

The structure of this statement shall follow the structure of the Code and will specify under each section either how the board of LINK adheres to the Code or provide explanations in areas where it does not fully comply.

LINK has adopted and implemented a corporate governance policy to safeguard the interests of the company's shareholders, employees, customers and other stakeholders. These policies and associated rules and practices are intended to create increased predictability and transparency and thus reduce uncertainty related to the business. LINK's Corporate Governance Policy as adopted by the board on September 7th, 2020, with latest revisions made on December 7th 2022 and the Code of Conduct for the Nomination Committee is presented in the annual report.

2. Business

As described in its Articles of Association, LINK itself or through its group of subsidiaries, develop and operate software for mobile telephone services to private and public businesses. Please refer to "Market position and development" in the board of directors report above for more on LINK's business.

LINK's Articles of Association are published in full on the company's website (linkmobility.com).

The board of directors defines objectives, strategies and risk profiles for LINK's business through deep dives into the strategy and business throughout the year, to ensure that the company creates value for shareholders in a sustainable manner. The board takes financial, social and environmental considerations into account when performing such deep dives.

The board of directors evaluates objectives, strategies and risk profiles annually.

LINK fully complies with the Code.

3. Equity and dividends

LINK has a capital structure appropriate to the company's objective, strategy and risk profile.

Dividend Policy is published on LINK's homepage under corporate governance, key documents.

LINK fully complies with the Code.

4. Equal treatment of shareholders

All LINK shareholders are treated equally. If the board of directors was to carry out an increase in share capital and waive the pre-emption rights of existing shareholders, the reasoning would be fully transparent and publicly disclosed in a stock exchange announcement. Any transactions the company carries out in its own shares will be carried out either through the stock exchange or at prevailing stock exchange prices. In the case of limited liquidity in the company's shares, LINK will consider other ways to ensure equal treatment of all shareholders.

LINK fully complies with the Code.

5. Shares and negotiability

LINK does not limit any party's ability to own, trade, or vote for shares in the company. In the unlikely event that this was not to be the case, LINK will provide an account of any restrictions on owning, trading or voting for shares in the company.

LINK fully complies with the Code.

6. General meetings

In accordance with LINK's Articles of Association, all shareholders with shares acquired before the fifth business day ahead of the general meeting have a right to attend.

The AGM shall resolve the annual accounts and other matters that the general meeting is required by law or the articles of association to resolve.

All shareholders are invited to the general meeting within the deadlines that follow from law and regulations, and all documentation required for the shareholders to sufficiently prepare for the general meeting is shared in the invitation and/or by reference to the documents publicly available at LINK's website.

Deadlines for shareholders to give notice of their intention to attend the meeting are set as close to the date of the meeting as possible.

Members of the board of directors attend the general meeting to the extent it is practically possible and in accordance with the goal of minimizing travel. The chairman of the board of directors, or a board member who represents the chairman, shall in all cases attend the general meeting.

The chairman of the nomination committee shall attend the general meeting in person or by representative.

The general meeting elects a chairman for the general meeting and shall be able to elect an independent chairman.

Shareholders can vote on each individual matter, including on each individual candidate nominated for election.

Shareholders who cannot attend the meeting in person are given the opportunity to vote beforehand or give proxy to do so, through a form provided with the invitation, where each individual matter can be voted over separately.

LINK has not adopted any special procedures regarding the general meeting that deviates from provisions applicable for Norwegian public limited liability companies that are listed on the Oslo Stock Exchange.

LINK fully complies with the Code except for the board of directors and nomination committee attendance. As LINK has a goal of reducing all its travel to the largest extent possible, board members shall attend the general meeting only to the extent necessary.

7. Nomination committee

LINK's Articles of Association provides that LINK shall have a nomination committee comprising of two to three members elected for two years by the general meeting of LINK, which shall be independent of the board and executive management to ensure that all shareholders' interests are considered. The current members of the nomination committee are Tor Malmo (Chairman) and Oddny Svergja. The members are not part of LINK's board or personnel.

The general meeting sets guidelines for the duties of the nomination committee, as well as its remuneration. A code of conduct for the nomination committee was defined by an EGM in LINK on September 7th, 2020, and revised by the AGM on May 31st, 2022. The nomination committee's duties are to propose candidates for election to the board, to make assessments of proposed candidates, and to propose remuneration to be paid to such members. The justification for the committee's proposal is provided separately.

The nomination committee is in contact with shareholders, the board of directors and the company's executive personnel as part of its work on proposing candidates for election to the board.

LINK fully complies with the Code.

8. Board of Directors' composition and independence

The composition of the board of directors shall ensure that the board can attend to the common interests of all shareholders and meet the company's need for expertise, capacity, and diversity.

LINK's Articles of Association stipulate that the company shall have a board consisting of 5 to 9 members elected by the general meeting. The Articles of Association further determine that the chairman of the board shall be elected for two years by the general meeting.

The composition of the board of directors shall ensure that it can operate independently of any special interests. The majority of the shareholder-elected members of the board of directors shall thus be independent of the company's executive personnel and material business connections. In addition, at least two of the members of the board must be independent of the company's major shareholders. For the purposes of the LINK Corporate Governance Policy, a major shareholder shall mean a shareholder that controls 10% or more of the company's shares or votes. Members of the board are, however, encouraged to own shares in the company.

The board of directors does not include executive personnel.

There were 6 members on the board after EGM on September 27th, 2022, 3 women and 3 men. Except for the chairman, who is elected for two years, each board member is elected for one year in general meeting.

Overview of the Board of Directors

The names and positions of the board members are set out in the table below.

Name	Position	Served since	Term expires	Independence
André Christensen	Chairman	2022	2024	✓
Jens Rugseth	Board member	2005	2023	
Robert Joseph Nicewicz Jr	Board member	2018	2023	
Sabrina Gosman	Board member	2022	2023	
Grethe Viksaas	Board member	2020	2023	✓
Sara Murby Forste	Board member	2020	2023	✓

LINK fully complies with the Code

9. The work of the Board of Directors

The board of directors has issued instructions for its own work and the CEO's work, the current version is dated December 7th, 2022. The board and CEO instructions have a particular emphasis on clear internal allocation of responsibilities and duties.

The instructions state how the board of directors and executive management handle agreements with related parties, including whether an independent valuation must be obtained, and that any such agreement will be presented in the annual report.

The board of directors considers any material interests held by board members or executive personnel. If the chairman should be personally involved in a matter, another board member would chair the consideration of such matter. No such matters have been managed in 2022.

The board of directors evaluates its performance and expertise annually.

The board held seventeen (17) meetings in 2022 and arranged three (3) general meetings. The average board meeting attendance by members was 94%.

The board of directors has set out three sub-committees, as described below. The table shows the board members' memberships in the committees per December 31st, 2022.

Name	Audit committee members	Remuneration committee members	M&A committee members
André Christensen	✓	✓	✓
Jens Rugseth		✓	✓
Robert Joseph Nicewicz Jr			✓
Sara Murby Forste	✓		
Grethe Viksaas	✓		
Sabrina Gosman			

LINK fully complies with the Code

Audit committee

In accordance with the Public Companies Act, LINK has established an audit committee consisting of board members who are independent of management, and who are appointed for a two-year term.

The audit committee's obligations are defined in instructions defined by the board. The current version of the audit committee's instructions is from December 7th, 2022. The committee is a preparatory and advisory body for the board and support the board in the exercise of its responsibility for financial reporting, internal control and risk management. Furthermore, the committee is a preparatory body for the board in relation to LINK's election of statutory auditor and make recommendations to the board in accordance with requirements in law, regarding the appointment or removal of statutory auditor and the statutory auditor's remuneration and other terms of engagement.

Remuneration committee

LINK has a remuneration committee that consists of board members who are independent of management, and who are appointed for a two-year term. The remuneration committee's obligations are defined in instructions defined by the board. The current version of the remuneration committee's instructions is from December 7th, 2022. The remuneration committee prepares remuneration guidelines for executive personnel including the main principles for the company's remuneration policy. The guidelines are communicated to the AGM. The remuneration committee may liaise with external compensation consultants. The remuneration of senior executives is currently threefold. An individual fixed salary, variable salary elements based on a group-wide set of KPIs and incentives linked to share price performance.

M&A committee

LINK has an M&A committee that consists of board members and members of the company's management. The M&A committee's obligations are defined in instructions defined by the board. The current version of the remuneration committee's instructions is from February 16th 2021. The committee acts as a preparatory and advisory body to support the board in the process of mergers and acquisitions.

LINK fully complies with the Code.

10. Risk management and internal control

LINK's risk management and internal control activities are integrated with its corporate strategy and part of the business planning processes in all areas. The GLT is responsible for risk management at LINK, subject to directions and approval from the board of directors.

Risk management is an integral part of LINK's business, and it is therefore performed in cooperation with operative teams in all parts of the organization. The daily management activities that form part of, and follow, the risk management processes are held by the operative teams in LINK.

LINK's audit committee and board are informed on the process through the year, and the board annually supervises the risk management process output and approves the risk profile for each of the six risk areas defined by LINK. LINK's risk profile defines the level acceptable in order to reach its objectives. The definition forms the basis for management execution, controls, and resource allocation within each risk area.

LINK's operative processes for risk management are based on an approach where the group organization defines policies and procedures enabling entities to implement locally or within a specific area. Internal controls are implemented by the functional areas, market, M&A, finance, operational, IT and legal & compliance, and each area provides support and information from group level to local entities or specific areas depending on requirements. Internal annual audits are performed for some areas. Policies are accessible to employees at the LINK Intranet, and training is provided by area.

Please refer to "Risks" above for an overview of the risk areas.

LINK fully complies with the Code.

11. Remuneration of the Board of Directors

The remuneration of the board of directors reflects the board's responsibility, expertise, time commitment, and the complexity of the company's activities. The specific remuneration is listed in note 8 payroll.

The remuneration of the board members is not linked to the company's performance, and share options have not been granted except for to the chairman. The chairman of the board was in an EGM on July 12th, 2022, granted a right to 2,000,000 share options, where 1 option shall give the right to subscribe for 1 share in LINK. A share option agreement was entered into in accordance with this decision, and the grant of share options was made public on the Oslo Stock Exchange on September 1st, 2022.

LINK deviates from the Code regarding grant of share option to chairman.

12. Salary and other remuneration for executive personnel

The current guidelines for remuneration of executive management were proposed to the general meeting in December 2021 and adopted by the board. The guidelines are published and available on LINK's website General Meetings (linkmobility.com) .

Remuneration report following the guidelines will be made available on LINK's website

https://linkmobility.com/investors/related-documents

LINK's performance-related remuneration is defined annually by the board and is subject to an absolute limit.

LINK fully complies with the Code.

13. Information and communication

The board of directors has established guidelines for LINK's reporting of financial and other information based on openness and equal treatment of all stakeholders. The board has established guidelines for LINK's contact with shareholders beyond general meetings, including a monthly newsletter, a dedicated investor relations professional and management meeting in relation to quarterly reporting.

LINK fully complies with the Code.

14. Takeovers

The board of directors has established guidelines for the event of a take-over bid. In the case of a bid, the board has an independent responsibility to ensure that shareholders are treated equally and that business activities are not disrupted unnecessarily. If an offer were to be made for LINK's shares, the board would issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The board will ensure shareholders are given sufficient information and time to form a view of the offer. The board's statement on the offer will make it clear whether the views expressed are unanimous or specify the basis on which specific members excluded themselves. Any final decision to go ahead with a potential offer will be made by the shareholders in an extraordinary general meeting (EGM).

LINK fully complies with the Code.

15. Auditor

The auditor submits the main features of the plan for the audit of the company to the audit committee annually, in time for the committee to review before processing by the board.

The auditor is invited to board meetings where the annual accounts are dealt with. At these meetings, the auditor reports on any material changes in the company's accounting principles and key aspects of the audit, comment on any material estimated accounting figures, and report all material matters on which there has been disagreement between the auditor and the executive management of the company.

The board of directors reviews the company's internal control procedures with the auditor annually, including weaknesses identified by the auditor and proposals for improvement.

The board of directors has guidelines in respect of the use of the auditor by the company's executive management for services other than the audit.

PWC has been the auditor of LINK since 2019. In the last decade, the group has had 2 auditors.

LINK fully complies with the Code.

Sustainability

LINK is committed to maintaining high ethical standards regarding values and ethics to secure a sound corporate culture and to preserve LINK by helping the employees to promote standards of good business practice. LINK aspires to be a responsible company in terms of labour standards and equality and to become leading in terms of Environmental, Social, and Governance (ESG). The "Sustainability at LINK" section of this report will provide further insight into LINK's approach to sustainability.

Insurance

LINK has a Directors and Officers Liability Insurance in place. The insurance covers the members of the board of directors, the CEO and group management, in addition to any employee acting in a managerial capacity. The insurance includes LINK's subsidiaries.

The insurance policy is issued by a reputable, specialized insurer with appropriate rating, and protects LINK's directors, officers and any employees that can incur personal liability from claims made against them in respect of actual or alleged acts in their capacity as directors and officers.

Forward looking statement

LINK expects organic adjusted EBITDA growth of 12-15% in fixed currency for 2023, driven by higher gross profit growth than in 2022 and opex savings from cost reduction initiatives. The increased growth in profitability reflects significantly improved commercial momentum with increased inflow of new business, opex reductions progressing ahead of target partly offsetting underlying cost increases and dilutive effect on growth from non-recurring covid traffic to disappear after Q1 23. Macroeconomic uncertainty remains, customer churn is however expected to remain at a low level.

LINK aims to become a top 5 global CPaaS player and sees long-term organic revenue growth at 20% per year with traction on adoption of advanced CPaaS solutions. Pro forma annual revenue of NOK 10 billion, from both accretive acquisitions and organic growth, is targeted for 2025. LINK's highly scalable business model will support a pro forma adjusted EBITDA margin in the 15-17% range at that revenue level.

Forward-looking statement	2023
Organic adjusted EBITDA growth in fixed currency	12-15%

Forward-looking statement	2025
Pro forma revenue (NOK million)	10 000
Pro forma adjusted EBITDA margin	15-17%

The board of directors appreciates and emphasizes uncertainty in relation to assessments of expected future development.

Oslo, 27 April 2023

The Board of Directors at LINK Mobility Group Holding ASA

Andre Alexander Christensen
Chairman of the board

Grethe Helene Viksaas
Board member

Jens Rugseth
Board member

Sara Katarina Murby Forste
Board member

Robert Joseph Nicewicz Jr
Board member

Sabrina Emma Gosman
Board member

Thomas Martin Berge
Chief Executive Officer

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CHAPTER 09

Consolidated income statement

For the period ended 31 December
(Amounts in NOK 1000)

	Note	2022	2021
Revenue	6	5,190,049	4,410,136
Total operating revenue		**5,190,049**	**4,410,136**
Direct cost of services rendered		-3,805,181	-3,209,707
Payroll and related expenses	8	-565,492	-579,045
Other operating expenses	9	-341,745	-316,867
Depreciation and amortization	7, 13, 14	-415,592	-337,706
Impairment of intangible assets and goodwill	14	-180,360	-
Total operating expenses		**-5,308,369**	**-4,443,325**
Operating profit (loss)		**-118,320**	**-33,189**
Finance income and finance expenses			
Net currency exchange gains (losses)	10	93,776	99,745
Net interest expense	10	-148,556	-127,518
Net other financial expenses	10	17,670	13,291
Total finance income (expense)		**-37,109**	**-14,481**
Loss before income tax		**-155,429**	**-47,670**
Income tax	22	4,323	-29,891
Loss for the period		**-151,106**	**-77,561**
Loss attributable to:			
Owners of the company		-151,106	-77,561
Earnings per share (NOK/share):			
Earnings per share (NOK/share):	11	-0.51	-0.26
Diluted earnings per share	11	-0.51	-0.26

The accompanying notes are an integral part of these financial statements.

Consolidated statement of Comprehensive Income

For the period ended 31 December
(Amounts in NOK 1000)

	2022	2021
Profit (loss) for the period	-151,106	-77,561
Other comprehensive income		
Items that may be reclassified to profit or loss		
Translation differences of foreign operations	271,850	-113,432
Gains and losses net investment hedge	-49,875	45,743
Tax on OCI that may be reclassified to P&L	10,973	-10,063
Other comprehensive income for the period	232,947	-77,753
Total comprehensive income for the period	**81,841**	**-155,314**

Consolidated statement of financial position

(Amounts in NOK 1000)

		2022	2021
ASSETS	**Note**		
Goodwill	5, 13	5,788,277	5,614,510
Other intangible assets	5, 13	2,929,503	2,946,506
Deferred tax asset	22	133,145	142,944
Equipment and fixtures	14	22,143	20,485
Right-of-use assets	7	47,865	64,398
Other non-current assets		2,876	3,011
Total non-current assets		**8,923,810**	**8,791,854**
Trade and other receivables	15, 18	1,243,758	904,923
Cash and cash equivalents	16, 18	826,851	843,618
Total current assets		**2,070,609**	**1,748,540**
TOTAL ASSETS		**10,994,419**	**10,540,394**
EQUITY AND LIABILITIES			
Share capital		1,479	1,471
Share premium and other reserves		5,856,471	5,802,356
Accumulated translation differences		414,942	181,994
Retained earnings (accumulated losses)		-1,047,370	-896,264
Total equity	**17**	**5,225,521**	**5,089,557**
Liabilities			
Long-term borrowings	18, 19	3,837,096	3,696,470
Lease liabilities	7, 18, 19	34,381	45,040
Deferred tax liabilities	22	533,064	556,961
Other long-term liabilities		11,006	18,792
Total non-current liabilities		**4,415,547**	**4,317,263**
Short-term borrowings	18, 19	5,470	24,423
Lease liabilities	7, 18, 19	14,217	16,906
Trade and other payables	18, 21	1,331,086	1,062,618
Income tax payable	22	2,578	29,627
Total current liabilities		**1,353,351**	**1,133,574**
Total liabilities		**5,768,898**	**5,450,837**
TOTAL EQUITY AND LIABILITIES		**10,994,419**	**10,540,394**

The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

Oslo, 27 April 2023
The Board of Directors of LINK Mobility Group Holding ASA

Andre Alexander Christensen
Chairman of the board

Grethe Helene Viksaas
Board member

Jens Rugseth
Board member

Sara Katarina Murby Forste
Board member

Robert Joseph Nicewicz Jr
Board member

Sabrina Emma Gosman
Board member

Thomas Martin Berge
Chief Executive Officer

Consolidated statement of Changes in Equity

for the period ended 31 December
(Amounts in NOK 1000)

	Note	Share capital	Share premium	Currency translation reserve	Retained earnings (accumulated losses)	Total equity
Balance at 01 January 2021		**1,355**	**4,882,513**	**259,748**	**-839,718**	**4,303,897**
Profit (loss) for the period		-	-	-	-77,561	**-77,561**
Other comprehensive income (loss) for the period, net of income tax		-	-	-77,753	-	**-77,753**
Total comprehensive income for the period		**-**	**-**	**-77,753**	**-77,561**	**-155,314**
Issue of ordinary shares		117	785,339	-	-	**785,455**
Redemption of preference shares		-	-	-	-	**-**
Share based payment		-	134,505	-	-	**134,505**
Other adjustments		-	-	-	21,015	**21,015**
Balance at 31 December 2021	**17**	**1,471**	**5,802,356**	**181,994**	**-896,264**	**5,089,557**
Balance at 01 January 2022		**1,471**	**5,802,356**	**181,994**	**-896,264**	**5,089,557**
Profit (loss) for the period		-	-	-	-151,106	**-151,106**
Other comprehensive income (loss) for the period, net of income tax		-	-	232,947	-	**232,947**
Total comprehensive income for the period		**-**	**-**	**232,947**	**-151,106**	**81,841**
Issue of ordinary shares		8	6,282	-	-	**6,289**
Redemption of preference shares		-	-	-	-	**-**
Share based payment		-	47,833	-	-	**47,833**
Other adjustments		-	-	-	-	**-**
Balance at 31 December 2022	**17**	**1,479**	**5,856,471**	**414,942**	**-1,047,370**	**5,225,521**

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flows

for the period ended 31 December
(Amounts in NOK 1000)

	Note	2022	2021
Cash flows from operating activities			
Loss before income tax		-155,429	-47,670
Adjustments for:			
Taxes paid		-58,213	-57,224
Finance income (expense)	10	37,109	14,483
Depreciation and amortization	7, 13, 14	595,952	337,706
Share based payment expense		47,833	134,505
Net gain from disposals		32	-88
Change in trade and other receivables		-290,208	-115,968
Change in trade and other payables		219,084	93,529
Change in other provisions		24,585	-3,328
Net cash flows from operating activities		**420,745**	**355,944**
Cash flows from investing activities			
Payment for equipment and fixtures	14	-8,084	-2,506
Payment for intangible assets	13	-172,217	-137,453
Payment for acquisition of subsidiary, net of cash acquired	5	-61,477	-1,869,208
Disposal of subsidiary		-	62
Purchase price adjustment acquisition of subsidiary	10	-	-
Net cash flows from investing activities		**-241,778**	**-2,009,105**
Cash flows from financing activities			
Proceeds on issue of shares		6,289	60,807
Repayment of equity		-	-
Other financial items	19	-	-
Proceeds from borrowings	19	-	1,670,021
Repayment of borrowings	19	-81,429	-40,898
Interest paid		-141,967	-110,076
Principal elements of lease payments		-15,931	-11,379
Net cash flows from financing activities		**-233,037**	**1,568,476**
Effect of foreign exchange rate changes		37,304	-23,840
Net change in bank deposits, cash and equivalents		-16,767	-108,525
Cash and equivalents at beginning of period		843,618	952,144
Cash and equivalents at end of the period		**826,851**	**843,618**

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements for the period ended 31 December 2022

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Note 1 General information

LINK Mobility Group Holding ASA is the parent company of LINK Mobility Group AS, and is headhquartered in Oslo, Norway. LINK is Europe's leading provider of mobile and CPaaS solutions specializing in messaging, digital services, and intelligent data usage.

LINK Mobility Group Holding ASA owns 100% of LINK Mobility Group AS, which in turn owns 100% the LINK subsidiaries. The Group's subsidiaries as at 31 December 2022 are listed below.

Name of entity	Date of acquisition	Place of business / country of registration	Ownership interest
LINK Mobility Group AS	10/9/2018	Oslo, Norway	100 %
LINK Mobility AS	10/9/2018	Oslo, Norway	100 %
LINK Mobility USA AS	5/27/2021	Oslo, Norway	100 %
Tismi AS	7/1/2021	Oslo, Norway	100 %
BK Invest Alpha GmbH[1]	11/16/2020	Vienna, Austria	100 %
LINK Mobility Austria GmbH[1]	11/16/2020	Graz, Austria	100 %
Simple SMS GmbH	10/9/2018	Wels, Austria	100 %
Allterpay EOOD	7/29/2019	Sofia, Bulgaria	100 %
LINK Mobility Bulgaria EAD[3]	7/29/2019	Sofia, Bulgaria	100 %
LINK Mobility Holding Aps	3/11/2020	Copenhagen, Denmark	100 %
LINK Mobility A/S	10/9/2018	Copenhagen, Denmark	100 %
Tismi A/S[4]	10/9/2018	Copenhagen, Denmark	100 %
MarketingPlatform Aps	6/7/2021	Vejen, Denmark	100 %
LINK Mobility Oy	10/9/2018	Tampere, Finland	100 %
Labyrintti International Oy	10/9/2018	Tampere, Finland	100 %
LINK Mobility SAS[2]	10/9/2018	Paris, France	100 %
Netsize S.A.	1/9/2019	Boulogne- Billancourt, France	100 %
LINK Mobility GmbH	10/9/2018	Hamburg, Germany	100 %
GfMB Gesellschaft für Mobiles Bezahlen	10/9/2018	Hamburg, Germany	100 %
LINK Mobility Hungary Kft.	12/18/2018	Budapest, Hungary	100 %
LINK Mobility Italia Srl	10/9/2018	Milan, Italy	100 %
AMM S.p.A.	5/31/2021	Arezzo, Italy	100 %

Name of entity	Date of acquisition	Place of business / country of registration	Ownership interest
Matelab Srl	12/15/2021	Lecco, Italy	100 %
Tismi B.V.	3/10/2021	Bunnik, Netherlands	100 %
Tismi Mobile B.V.	3/10/2021	Bunnik, Netherlands	100 %
LINK Mobility Sp.z.o.o	10/9/2018	Gliwice, Poland	100 %
Razvoen Centar na eMailPlatfor DOOEL	6/7/2021	Kumanovo, Republic of North Macedonia	100 %
Tera Communications DOOEL	7/29/2019	Skopje, Republic of North Macedonia	100 %
LINK Mobility SRL	10/2/2017	Bucharest, Romania	100 %
Teracomm RO SRL	7/29/2019	Bucharest, Romania	100 %
LINK Mobility Spain S.L.U.	10/9/2018	Madrid, Spain	100 %
Altiria TIC Sociedad Limitada	12/14/2021	Madrid, Spain	100 %
LINK Mobility AB[5]	10/9/2018	Stockholm, Sweden	100 %
Horisen Messaging AG	10/9/2018	Rorschach, Switzerland	100 %
LINK Mobility UK Limited	12/14/2018	Edinburgh, Scotland	100 %
Netsize UK Ltd.	1/9/2019	London, United Kingdom	100 %
Message Broadcast LLC	6/24/2021	Newport Beach, USA	100 %

[1] Collectively referred to as the WebSMS group or WebSMS. Sms.at Mobile Internet Services GmbH has become LINK Mobility Austria GmbH.

[2] The French entities Multiwizz SAS and Inwave SAS are merged with LINK Mobility SAS in 2022.

[3] The Bulgarian entities TeraVoice EAD and LINK Mobility EAD were merged in Tera Communications EAD in January 2022.

In February 2022, Tera Communications EAD was renamed LINK Mobility Bulgaria EAD.

LINK Mobility Development Hub EOOD was merged in LINK Mobility Bulgaria EAD in July 2022.

[4] LINK Mobile A/S (Denmark) was renamed Tismi A/S in 2022.

[5] Netsize IPX AB is merged with LINK Mobility AB in 2022.

LINK Mobility SIA (Latvia/Estonia) is liquidated in 2022.

Note 2 Adoption of new and revised International Financial Reporting Standards (IFRS)

A number of amended IFRS standards issued by the International Accounting Standards Board (IASB) and IFRS interpretations issued by the IFRS Interpretations Committee (IFRS IC) are effective for accounting periods commencing on or after 01 January 2022. The requirements arising from revised IFRSs or IFRIC interpretations are embedded in the recognition, measurement and disclosures relevant to the consolidated financial statements of the Group from the date of establishment. The accounting policies adopted are described in Note 3 Summary of significant accounting policies.

Standards and interpretations affecting amounts reported in the current period

The accounting policies adopted, and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below. The adoption of the following standards and interpretations has not had any material impact on the disclosures or on the amounts reported in these financial statements:

- Amendment to IFRS 16 to clarify how a seller-lessee subsequently measures sale and leaseback transactions
- Amendments to IAS 8 regarding the definition of accounting estimates
- Amendments to IAS 12 regarding defferred tax on leases and decommissioning obligations

As at the date of authorisation of these financial statements, Standards and Interpretations had been issued by the IASB but were not effective for the financial year ended 31 December 2022. At the date of these financial statements, it is not foreseeable that these changes will not have a material impact on the financial reporting for the Group.

New or amended standards that have effective date on 01 January 2024 or later have not been assessed if these will have any impact on LINK Mobility Groups financial statements in the period of initial application. Management will continue to follow the development of changes to Standards and Interpretations issued by the IASB throughout 2023.

Note 3 Summary of significant accounting policies

3.1 General information

LINK Mobility Group Holding ASA ("the Company") is a limited liability Company incorporated and domiciled in Norway. The address of the registered office is Universitetsgata 2, 0164 Oslo, Norway. LINK Mobility Group Holding ASA is the parent company of the LINK Mobility Group AS. LINK Mobility Group AS provides services in mobile communication and specialises in mobile messaging services, mobile solutions, and mobile intelligence. LINK Mobility Group Holding ASA and its subsidiaries are regarded as “the Group”.

These financial statements were approved for issue by the Board of Directors on date 27 April 2023. Minor rounding differences may be present, and the total may deviate from the total of the individual amounts. This is due to the rounding of whole figures to thousands for presentation purposes.

3.2 Basis for preparation

The financial statements of the Company and the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Group's accounting policies. Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the financial statements are disclosed in Note 4 Critical accounting judgements and key sources of estimation variances. The financial statements have been prepared on a going-concern basis.

The presentation currency of the financial statement is Norwegian kroner (NOK). Amounts are rounded to nearest thousand, unless otherwise stated.

3.3 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, which are entities controlled by the Company. Control is achieved when the Group has power over the investee, is exposed, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power to affect its returns through its power over the investee. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control noted above.

The financial statements of the subsidiaries are prepared for the same reporting periods as the parent company and consistent accounting policies are applied. The results of subsidiaries acquired or disposed of during the year are included in the income statement from the date when control is obtained and until control ceases, respectively. Intercompany transactions, balances, revenues, expenses and unrealised Group internal gains or losses are eliminated on consolidation.

The presentation currency of the financial statement is Norwegian kroner (NOK). Amounts are rounded to nearest thousand, unless otherwise stated.

3.4 Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred and all the identifiable assets and liabilities of acquired entities are, with limited exceptions measured at fair values at the date of acquisition. Acquisition-related costs are recognised in the income statement as incurred.

Goodwill arising from an acquisition is recognised as an asset measured as the excess of the sum of the consideration transferred, the fair value of any previous held equity interest and the amount of any non-controlling interest in the investee over the net amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group’s interest in the net fair value of the investee’s identifiable assets, liabilities and contingent liabilities exceeds the total consideration of the business combination, the excess is immediately recognised in the income statement. Goodwill is allocated to each of the Group’s cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

When the consideration transferred by the Company in a business combination includes contingent consideration arrangements, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments recognised in goodwill. Measurement period adjustments arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

3.5 Current/non-current classification

An asset is classified as current when it is expected to be realised, or is intended for sale or consumption, in the Group's normal operating cycle, it is expected/due to be realised or settled within next twelve month after the reporting date. Other assets are classified as non-current. A liability is classified as current when it is expected to be settled in the Group's normal operating cycle, the liability is due to be settled within twelve months after the reporting period or if the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

3.6 Revenue recognition

Revenues are recognised when services are rendered and measured based on the consideration to which the Group expects to be entitled in a contract with a customer net of discounts and sales related taxes. The Group recognises revenue when it transfers control of a product or service to a customer.

When another party is involved in providing goods or services to a customer, the Group evaluates whether it has an obligation to provide the specified service itself (i.e. the Group is the principle) or to arrange for those services to be provided by the other party (i.e. the Group is the agent). Where the Group does not control the service, the Group is considered an agent in the transaction.

Revenues primarily comprise sale of services that enable customers to communicate by mobile phone with their customers. To be able to render these services, the Group needs to obtain services from one or more telecommunication operators. Cost incurred that are directly related to fulfilling a specified contract with a customer are regarded as a contract fulfilment cost and are expensed in the period in which the related revenue is recognised.

The services rendered are split into the following groups:

Type of service	Timing of recognition	Measurement of revenue
Mobile messaging transactions	The Group provides mobile messaging services via SMS and other messaging channels such as Apps, Facebook, Messenger, WhatsApp and email. Revenue from messaging is recognised when the message service has been provided; when the messages are delivered to the recipient.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Payment services	The Group offers payment solutions where the customer can get their customers (the end users) to pay for services by charging their mobile phone account or credit/debit card. As payment for these services, the Group is entitled to remuneration related to the processed transactions/payment. Revenue is recognised when the payment service is rendered.	The Group acts as an agent for this type of service and the performance obligation is to arrange for the provision of services by another party. Consequently, only the income from the processed transactions is recognised as revenue.
Licences	License revenue consists of revenue from monthly fees paid by customers for access to Group platforms and solutions. No proprietary rights are transferred to the customer. The revenue is recognised throughout the duration of the license agreement.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Consulting services	Revenue from consulting services is recognised in the accounting period during which the services are rendered.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.

3.7 Foreign currency translation

The consolidated financial statements are presented in NOK, which is the Group's functional currency. In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the balance sheet date. Non-monetary items carried at fair value in foreign currencies are translated using the exchange rate at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated after the transaction date.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement as financial items. All other foreign exchange gains and losses are presented on a net basis in the income statement as other operating expenses. Exchange differences are recognised in the income statement in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated to NOK at exchange rates on the reporting date. Income and expense items are translated to NOK at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are considered as assets and liabilities of the foreign entity and translated at the closing rate. These exchange differences are recognised in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the foreign operation are reclassified to the income statement. In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss.

3.8 Intangible assets

Goodwill and intangible assets acquired in a business combination are recognised initially as set out in 3.4 Business Combinations above.

Amortisation of intangible assets are based on the following estimated useful lives:

Goodwill	**Indefinite**
Tradename	25 years
Customer relations/contracts	7-10 years
Technology	3-10 years

Goodwill is not amortised but is reviewed for impairment at least annually, or more frequently when there is an indication that the cash-generating unit to which goodwill has been allocated, may be impaired. Goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the gain or loss on disposal in the income statement.

Intangible assets acquired in a business combination and recognised separately from goodwill, such as Tradename and Customer relations are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Separately acquired intangible assets

Intangible assets with finite useful lives such as Technology, that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Subsequent to initial recognition, separately acquired intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

Internally generated intangible assets – Technology

Expenditure on research and development activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development of the Group's technical platforms and products is recognised if, and only if, all the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditures are expensed as incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

3.9 Equipment and fixtures

Equipment and fixtures are initially recognised at cost, which includes the purchase price (including duties and non-refundable purchase taxes) and any directly attributable costs of bringing the asset to the location and condition necessary for it to be able to operate in the intended manner. Equipment and fixtures are subsequently recognised at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised using the straight-line method to reduce the cost of assets less their residual values over their useful lives. Depreciation commences when the assets are ready for their intended use.

Estimated useful life, depreciation method and residual values are reviewed at least annually. The straight-line depreciation method is used as this best reflects the consumption of the assets, which often is the passage of time. Residual value is estimated to be zero for all assets.

Repair and maintenance are expensed as incurred. If new parts are capitalised, replaced parts are derecognised and any remaining net carrying amount is recognised in operating profit (loss) as loss on disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of equipment and fixtures is determined as the difference between the sales proceeds and the carrying amount of the asset and is presented as other income or other expenses in the income statement.

3.10 Impairment of non-financial assets

At each reporting date, the Group reviews if there are any indicators that the carrying amounts of its tangible and intangible assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

3.11 Leases

At the inception of a contract, the company 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. The lease liability is recognized at the commencement date and measured at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate at the commencement date. The lessee's incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value of the right-of-use asset in a similar economic environment.

The Group has chosen to measure the Right-of-Use asset (RoU assets) at an amount equal to the lease liability for all leases by using the lessee's incremental borrowing rate; the rate may differ from country to country. RoU assets are depreciated over the lease term as this is ordinarily shorter than the useful life of the assets. The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the company is reasonably certain to exercise this option. The Group applies the exemption for short term leases (12 months or less) and low value leases. As such, related lease payments are not recognized in the balance sheet but expensed or capitalized in line with the accounting treatment for other non-lease expenses. The inclusion of non-lease components may vary across different lease categories.

3.12 Government grants

The Group receives Government grant as part of the "Skattefunn" arrangement in Norway, which is an arrangement to stimulate research and development in Norway. The government grant is initially recognised as a deduction to the carrying amount of the relevant asset. The amount is subsequently recognised to the income statement on a straight-line basis over the estimated useful life of the related asset.

3.13 Financial Instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. The Group has classified the financial instruments into the following categories of financial assets and liabilities: Financial assets and liabilities at fair value through profit and loss (FVTPL), financial assets at amortised cost (FAAC), financial assets at fair value through other comprehensive income (FVTOCI) and Financial liability at cost (FLAC). Currently the Group does not have any assets in the classification of FVTOCI.

The categorisation of financial instruments (financial assets and liabilities) for measurement purposes is based on the nature and purpose of the financial instrument and is determined on initial recognition. The Group presents financial assets and liabilities in the following classes: trade and other receivables (FAAC), cash and cash equivalents, trade and other payables (FLAC), and borrowings (FLAC).

Trade receivables and other current and non-current financial assets
The financial assets held by the Group, primarily trade and other receivables, are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances. The impairment model in IFRS 9 Financial Instruments requires the recognition of impairment provisions based on expected credit losses (ECL). The Group recognises an allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition. The impairment is calculated by taking into account the historic evidence of the level of credit losses experienced and the ageing profile of the trade receivables. Individual trade receivables are impaired when management assesses them not to be wholly or partially collectible.

Cash and cash equivalents
Cash and cash equivalents include cash, bank deposits and commercial papers with original maturities of three months or less.

Financial liabilities
Trade and other payables include trade payables and other current and non-current, non-interest-bearing financial liabilities. Borrowings (non-current and current) include bank loans and overdrafts. These liabilities are initially recognised in the statement of financial position at fair value (net of any transaction costs), and subsequently measured at amortised cost using the effective interest rate method.

The effective interest method calculates the amortised cost of a financial liability and the allocation of interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments, including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts, through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised, and the consideration paid and payable is recognised in profit or loss.

3.14 Cash flow

The Group presents the statement of cash flows using the indirect method. Cash inflows and outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash line items. Interest received and paid, and dividends received, are reported as a part of operating activities. Dividends distributed are included as a part of financing activities. Value Added Tax and other similar taxes are regarded as collection of tax on behalf of authorities.

3.15 Employee benefits

The Group operates a defined contribution plan (DCP) for post-retirement benefits. A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate entity (insurance company). The Group has no legal or constructive obligations to pay further contributions to the pension plan for benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.16 Taxation

Income tax expense represents the sum of the current and deferred income tax. The income tax expense is recognised in the income statement unless the tax effect relates to items recognised in other comprehensive income or directly in equity, in which case the tax effect is recognised in other comprehensive income or in equity, respectively.

Current tax is the expected tax expense on the taxable income for the year, using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits. Deferred tax is not recognised for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits, nor for differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that the future taxable profits will be available against which the temporary differences, tax losses carried forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be realised.

Tax positions are regularly reviewed to identify situations where it is not probable that the relevant tax authorities will accept the treatment used in the tax filings. Uncertain tax positions are considered independently or as a group, depending on which approach better predicts re resolution of uncertainty. If the Group concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the effect of uncertainty is reflected when determining tax treatment. This is done by using either the most likely amount or the expected value, depending on which method better predicts the outcome of the uncertainty. Uncertain tax treatment can affect both current tax and deferred tax.

Current tax assets and current tax liabilities are offset when the legal right to offset exists and the Group intends to either settle the tax assets and the tax liability net or recover the asset and settle the liability simultaneously. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax liability is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred tax is recognized based on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Note 4 Critical accounting judgements and key sources of estimation variances

In the application of the Group's accounting policies, as described in note 3 (summary of significant accounting policies), management is required to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Estimates and judgements are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant. Future events may cause these estimates to change and actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates are recognised in the period when the changes occurred, if they apply to that period. If the changes also apply to future periods, the effect will be distributed between the current period and future periods.

Business combinations

The Group has finalised an acquisition in FY2022; refer to note 5 (business combinations) for further details. In order to account for the business combinations and determine the fair value of the underlying assets and liabilities in accordance with IFRS 3, management has used significant judgement. In order to calculate the fair value of the intangible assets in the acquired companies, the expected future cash flows have been reconciled to the purchase price of the acquired companies. The reconciliation is performed via a Business Enterprise Valuation (BEV). Intangible assets have been valued using the Multi Excess Earnings Method ("MEEM") and Relief From Royalty Method ("RFR"). The methods are considered to be appropriate for the type of assets being valued (MEEM for customer relationships and RFR for technology and trade name). The excess of the consideration over the fair value of the net identifiable assets acquired is recognised as goodwill.

Significant input used in the estimation of fair values utilising the above methods are as follows:

- The remaining estimated useful life of technology is between 3 and 10 years
- The remaining estimated useful life of technology is 10 years
- Revenue growth and EBITDA (earnings before interest, tax, depreciation and amortisation) margins are based on estimates of growth and margins in the respective companies

Estimated impairment of goodwill and other intangible assets

The carrying amounts of non-current tangible and intangible assets are assessed by means of impairment tests whenever there is an indication of impairment. Any impairment of goodwill is assessed at least annually. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. As of 31 December 2022, the amount of goodwill tested for impairment amounted to KNOK 5 788 277 (FY2021 - KNOK 5 614 510). In the current year, an impairment loss of NOK 180 million was recognised in the Spanish CGU in the Western Europe region (FY2021 - nil). Please refer to notes 3 (summary of significant accounting policies) and 13 (intangible assets) for further details related to the impairment testing methodology and results.

Deferred tax assets

Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognized. The Group is also subject to income taxes in various jurisdictions. Judgment is required in determining the Group's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liability and expense in the period in which such determination is made.

Purchase price of subsidiaries – earn-out

Periodically, the Group acquires subsidiaries where the preliminary purchase price is based on an assumption that the acquired company will achieve a target EBITDA for the current financial year. The final purchase price is subject to an upwards or downwards earn-out adjustment based on the company's actual achieved EBITDA. The earn-out adjustment is accounted for in the income statement as finance income or expense.

Note 5 Business combinations

Acquisitions during the period

2022	Main business activity	Date of business combination	Proportion of voting equity acquired	Acquiring entity
Customer Base	Provider of mobile messaging services and mobile solutions	16 November 2022	100%	Message Broadcast LLC

Acquisition of US Customer Base

On 16 November 2022, LINK Mobility Group AS acquired the complete US customer base from a larger undisclosed company. Upon completion of this transaction, the customer base was merged with Message Broadcast LLC; the company is headquartered in Newport Beach, California, USA.

The purchase price is cash upon closing.

Revenue and net profit, in the period from the date of acquisition until 31 December 2022:

(Amounts in NOK 1 000)	
Revenue	7,886
EBITDA	1,405
Net profit	1,405

Estimated revenue and net profit, as if the acquisition had occurred 01 January 2022

(Amounts in NOK 1 000)	
Revenue	86,889
EBITDA	15,258
Net profit	15,258

Consideration transferred

(Amounts in NOK 1 000)	
Cash	61,477
Total consideration	**61,477**

Identifiable assets and liabilities recognised on the date of the business combination

Assets assumed in connection with the business combinations have been recognised at the estimated fair value on the date of the business combination. Management has identified technology and customer relations as major assets.

Note that the estimates are provisional and may be subject to change during the measurement period, which is one year from the date of the acquisition.

(Amounts in NOK 1 000)	
Customer relationships	37,608
Trademark	-
Technology	-
Deferred tax asset	-
Equipment and fixtures	-
Other non-current assets	-
Trade and other receivables	14,015
Cash and cash equivalents	520
Long-term borrowings*	-
Deferred tax liability	(7,898)
Other long-term liabilities	-
Trade and other payables	(9,175)
Income tax payable	-
Fair value of identifiable net assets acquired	**35,070**

* External debt held by the target company is settled subsequent to acquisition.
Due to timing of any given acquisition, this may not be reflected at the financial reporting date.

Goodwill

(Amounts in NOK 1 000)

Consideration transferred	61,477
Fair value of identifiable net assets acquired	35,070
Goodwill	**26,408**

Goodwill originating from the business combination is primarily related to anticipated synergies from ongoing operations and the benefit of integrating the entire business into the group. No impairment has been recognised subsequent to the business combination.

Goodwill that has arisen as part of the business acquisition is not tax deductible.

Acquisition related expenses

(Amounts in NOK 1 000)

Incurred 2022	5,487
Total	**5,487**

Identifiable assets and liabilities recognised on the date of the business combination

Assets assumed in connection with the business combinations have been recognised at the estimated fair value on the date of the business combination. Management has identified technology and customer relations as major assets.

Note that the estimates are provisional and may be subject to change during the measurement period, which is one year from the date of the acquisition.

Note 6 Segment reporting

(Amounts in NOK 1000)

The Group reports revenue, gross margin (revenue less direct costs) and adjusted EBITDA in functional operating segments to the Board of Directors (the Group's chief operating decision makers). While LINK uses all four measures to analyze performance, the Group's strategy of profitable growth means that adjusted EBITDA is the prevailing measure of performance (refer to alternate performance measures).

An examination of operating units based on market maturity and product development as well as geography identifies five natural reporting segments. These are Northern Europe, Western Europe, Central Europe, Northern America and Global Messaging; these represent market clusters. Generally, regions are segregated into similar geographic locations as these follow similar market trends. Global Messaging includes all regions with aggregator traffic; the other four have enterprise traffic.

The regions are:

Northern Europe
Northern Europe is comprised of Norway, Sweden, Denmark, Finland.

Central Europe
Central Europe is comprised of Bulgaria, Romania, North Macedonia, Poland, Hungary, Germany, Austria, and the Netherlands.

Western Europe
Western Europe is comprised of Spain, France, the United Kingdom, and Italy.

North America
North America is comprised of the US market and currently includes Message Broadcast LLC.

Global Messaging
Global messaging is comprised of non-enterprise traffic and is representative of either stand-alone business or as a component of revenues in countries included above. If a business is comprised of both enterprise and wholesale/aggregator transactions, the latter is segregated here. The Swiss operation Horisen Messaging is included here.

Wholesale/aggregator business is defined as an operating unit within LINK's industry, and that use LINK connections in markets where they do not have such connections themselves. This business can generally be referred to, at least partly, as a direct competitor that use LINK connections. Smaller local aggregators cannot be expected to be covered efficiently by Global Messaging and as such they are still subject to local handling (not a focus area though because they are generally low margin and switch easily).

Revenue per segment	2022	2021
Northern Europe	1,364,335	1,333,080
Central Europe	1,183,616	1,075,264
Western Europe	1,423,472	1,251,425
North America	276,309	119,502
Global Messaging	942,317	630,866
Total	**5,190,049**	**4,410,136**

Gross profit per segment	2022	2021
Northern Europe	375,816	381,904
Central Europe	361,792	360,094
Western Europe	317,179	285,686
North America	246,594	108,937
Global Messaging	83,487	63,808
Total	**1,384,869**	**1,200,429**

Adjusted EBITDA per segment	2022	2021
Northern Europe	226,653	241,137
Central Europe	232,052	241,614
Western Europe	153,469	139,421
North America	139,703	65,692
Global Messaging	47,998	33,601
Group Costs	-174,653	-164,806
Total	**625,221**	**556,660**

Reconciliation of adjusted EBITDA to Group profit (loss) before income tax	2022	2021
Adjusted EBITDA	625,221	556,659
Non-recurring items*	-147,589	-252,142
Depreciation and amortization	-595,952	-337,706
Operating profit	**-118,320**	**-33,189**
Finance income (expense)	-37,109	-14,481
Total	**-155,429**	**-47,670**

*Non-recurring items
Non-recurring items is comprised of amounts that relate entirely to the company. Costs related to mergers and acquisitions, personnel cost deemed to be non-recurring (or one-off), restructuring expenses, advisors, and licenses are included in this reconciliation line item (this list is not exhaustive).

Disaggregation of revenue

The Group's operations are conducted through its subsidiaries in the countries listed below. The Group derives its revenue from contracts with customers for the transfer of services as described in the table provided in note 3 to the financial statements.

Revenue per business line	2022	2021
Mobile messaging transactions	4,795,130	4,103,926
Payment services	25,054	30,676
Licenses	286,838	212,634
Consulting services	83,027	62,900
Group	**5,190,049**	**4,410,136**

Revenue per geographical region		
Austria	210,443	257,916
Bulgaria	112,151	94,428
Denmark	172,014	143,343
Finland	100,597	93,711
France	846,996	722,171
Germany	486,481	466,128
Hungary	17,213	17,897
Italy	415,764	296,184
Latvia	40	6,849
The Netherlands	146,892	60,064
North Macedonia	1,878	1,530
Norway	753,586	761,781
Poland	241,811	236,598
Romania	4,023	2,507
Spain	116,977	92,004
Sweden	352,422	439,741
Switzerland	869,706	551,450
United Kingdom	64,747	46,334
United States of America	276,309	119,502
Total	**5,190,049**	**4,410,136**

Note 7 Leases

(Amounts in NOK 1000)

This note provides information for leases where the group is a lessee.

Amounts recognised in the balance sheet
The balance sheet shows the following amounts related to leases:

	Right-of-use assets			
	Leased vehicles	**Leased premises**	**Other leased items**	**Total**
Period ended 31 December 2021				
Opening net book amount	763	25,818	(68)	26,513
Additions	488	46,793	-	47,281
Net additions from acquired businesses	474	2,338	5,414	8,226
Depreciation charge	(1,041)	(14,833)	(1,748)	(17,622)
Closing net book amount 31.12	**685**	**60,116**	**3,597**	**64,398**
Period ended 31 December 2022				
Opening net book amount	685	60,116	3,597	64,398
Additions	902	1,696	-	2,598
Net additions from acquired businesses	-	-	-	-
Depreciation charge	(968)	(15,027)	(3,137)	(19,131)
Closing net book amount 31.12	**620**	**46,785**	**460**	**47,865**
Cost	5,018	108,422	7,009	120,449
Accumulated depreciation	(4,399)	(61,636)	(6,548)	(72,583)
Net book amount 31.12	**619**	**46,786**	**460**	**47,865**
Estimated useful life, depreciation plan and residual value is as follows:				
Economic (useful) life	0 - 3 years	0 - 5 years	0 - 3 years	
Depreciation plan	Linear	Linear	Linear	

	Lease liabilities			
	Leased vehicles	**Leased premises**	**Other leased items**	**Total**
Period ended 31 December 2021				
Opening lease liability	706	57,565	3,674	61,946
New lease liabilities recognised in the period	902	1,696	-	2,598
Total leasing payments for the lease liability	(1,058)	(15,427)	(3,368)	(19,852)
Interest expense on lease liabilities	97	3,611	200	3,907
Closing net book amount 31.12	**647**	**47,445**	**506**	**48,599**
whereof:				
Current lease liabilities				14,217
Non-current lease liabilities				34,381

The Group's leasing activities and how these are accounted for:

The Group leases office space, equipment and vehicles. Rental contracts are typically made for fixed periods between 1 and 10 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate (buildings) for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the group under residual value guarantees;
- The exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Group subsidiaries, which do not have recent third-party financing; and
- Makes adjustments specific to the lease (i.e. term, country, currency and security).

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Variable lease payments

The Group is not exposed to variable lease payments.

Extension and termination options:

Extension and termination options are included in certain property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are mutually exercisable and are evaluated accordingly.

Note 8 Payroll and related expenses

(Amounts in NOK 1000)

	2022	2021
Wages and salaries	390,997	324,839
Share-based payment expense	47,833	134,505
Social security tax	77,654	80,147
Pension expense	21,370	19,680
Other benefits	27,637	19,875
Total payroll and related expenses	**565,492**	**579,045**

The number of labor years employed during the financial year:	761	714

The pension plans in the Group comply with the pension legislation enacted in respective countries. The pension plans require that the Group pays premiums to public or private administrative pension plans on a mandatory, contractual or voluntary basis. There are no further obligations once the annual premiums are paid. The premiums are accounted for as personnel expenses as soon as they are incurred. Pre-paid premiums are accounted for as an asset to the extent that future benefits can be determined as plausible.

Remuneration of key group employees

Key group employees are defined as employees who are part of LINK Group management. In FY2022 and as at 31 December 2022, Group management consisted of the following individuals (amounts in NOK 1000):

Name and position	Employed since	Salary	Bonus	Pension expense	Other remuneration
Thomas Berge (Interim CEO)	September 2016	4,572	972	80	12,389
Morten Løken Edvardsen (Interim CFO)	January 2018	2,177	275	79	240
Pål Marius Brun (CPO and Interim CTO)	February 2013	1,468	224	66	-
Lin Ackema (Chief People and Strategy Officer)	October 2020	2,417	497	80	961
Benoit Bole (COO Western Europe)	January 2019	1,908	183	294	4,805
Ina Rasmussen (COO Northern Europe)	January 2015	2,010	454	54	1,442
Hendrik Faasch (COO Central Europe)	August 2020	1,927	703	-	961
Total		**16,480**	**3,309**	**652**	**20,798**

The CEO has a performance based bonus of up to 7 months salary; the amount of the bonus is determined by the successful completion of key management business objectives that are set by the Board of Directors

The CFO has a performance based bonus of up to 5 months salary. The criteria for this bonus is a combination of quantitative targets determined by the Board of Directors.

The remaining key Group employees have a performance based bonus of up to 5 months salary. The bonus is calculated on the basis of achievment of budgeted Group income and Adjusted EBITDA, and other quantitative criteria that are determined on an annual basis.

Share based remuneration

The Company has two programs for share based remuneration for its employees: the Restricted Share Unit (RSU) program and the long-term incentive plan (LTI) option program. Fair value of the RSU's and LTI's are calculated at the time of allocation and expensed over the vesting period.

In Q4 2020, the Company issued 3 769 092 RSU's and 2 000 000 LTI's to selected employees, including management. Fair value of RSU's and LTI's was NOK 46.995 (for all practical purposes equal to the share price) and NOK 20.30 at the grant date, respectively.

Grant date for both RSU's and LTI's is set at 20.10.2020. The "strike price" of RSU's is NOK 0.005 (equal to the nominal value of the shares) and the strike price of the LTI's is NOK 47.

In Q4 2021, the Company issued 3 000 000 additional options as part of the LTI (LTI II) program. Fair value of the LTI II options was calculated to NOK 8.5 and the strike price of the LTI II options was NOK 20.89.

An expense of NOK 44 million (including accrued social security tax) related to share options has been recorded in FY2022. The expenses related to the RSU and LTI are NOK 36 million and NOK 12 million, respectively. The amount directly related to the social security tax provision is credit of 6 million.

In addition to the RSU and LTI programs, all employees may participate in the employee share purchase program (ESPP). Under the terms of the ESPP, all employees were given the opportunity to apply for shares for up to a maximum amount of NOK 100,000; employees receive a 20% discount on these shares. The shares are subject to a lock-up period of 12 months and after a vesting period of two years, employees are entitled to 1 matching (subject to paying the nominal value per share) per 3 shares subscribed if certain conditions are fulfilled. An expense of NOK 1 million related to ESPP shares is recognised in 2022.

In 2022, it is resolved that the Chairperson can be granted 2 million share options ("COB Options"), whereby 1 option gives the right to subscribe for 1 share in the Company. The subscription right is the volume weighted average trading price of the Company's shares on the Oslo Stock Exchange for the last 10 trading days before the date of the Extraordinary General Meeting. The options shall vest for 24 months from the grant date and may be exercised for 7 years from the date of grant; vesting is subject to the Chairperson having not withdrawn from this position. An expense of NOK 1 million related to COB Options is recognised in 2022.

The tables below shows an overview of the outstanding LTI's, RSU's, and COB Options:

	Number of options	Average price
Vested LTI's	2,000,000	47.00
Unvested LTI's	3,000,000	20.89
Total outstanding options	**5,000,000**	**31.33**

	Strike price	Number of options	Vesting date	Expiration date
	47.00	2,000,000	10/20/2021	10/20/2028
	20.89	3,000,000	12/7/2023	10/20/2028
Sum		**5,000,000**		

		Q4 2022		2022
	Number of options	Average price	Number of options	Average price
Total vested LTI's	2,000,000	47.00	2,000,000	47.00
Granted unvested options	3,000,000	20.89	3,000,000	20.89
Cancelled LTI's	-	-	-	-
Dropped LTI's	-	-	-	-
Expired LTI's in the period	-	-	-	-
Exercised LTI's in the period	-	-	-	-
Total outstanding LTI's	**5,000,000**	**31.33**	**5,000,000**	**31.33**

Name	Grant date	Number of LTI's granted	Number of LTI's vested at 31.12.2022	Expiry date	Exercise price range
Thomas Berge (Interim CEO)	10/20/2020	118,000	118,000	10/20/2027	47.00
Morten Løken Edvardsen (Interim CFO)	10/20/2020	58,000	58,000	10/20/2027	47.00
Pål Marius Brun (Interim CTO)	10/20/2020	34,000	34,000	10/20/2027	47.00
Benoit Bole	10/20/2020	88,000	88,000	10/20/2027	47.00
Hendrik Faasch	10/20/2020	88,000	88,000	10/20/2027	47.00
Ina Rasmussen	10/20/2020	88,000	88,000	10/20/2027	47.00
Lin Ackema	10/20/2020	88,000	88,000	10/20/2027	47.00
Others (not specified)	10/20/2020	1,438,000	1,179,000	10/20/2027	47.00
Sum		**2,000,000**	**1,741,000**		

Name	Grant date	Number of LTI's granted	Number of LTI's vested at 31.12.2022	Expiry date	Exercise price range
Thomas Berge (Interim CEO)	10/20/2021	135,000	-	10/20/2028	20.89
Morten Løken Edvardsen (Interim CFO)	10/20/2021	58,000	-	10/20/2028	20.89
Pål Marius Brun (Interim CTO)	10/20/2021	36,000	-	10/20/2028	20.89
Benoit Bole	10/20/2021	110,000	-	10/20/2028	20.89
Hendrik Faasch	10/20/2021	110,000	-	10/20/2028	20.89
Ina Rasmussen	10/20/2021	110,000	-	10/20/2028	20.89
Lin Ackema	10/20/2021	110,000	-	10/20/2028	20.89
Others (not specified)	10/20/2021	2,331,000	-	10/20/2028	20.89
Sum		**3,000,000**	**-**		

	Number of RSU's	Average price
Vested RSU's	2,638,364	0.005
Unvested RSU's	1,130,728	0.005
Total outstanding RSU's	**3,769,092**	

	Strike price	Number of options	Vesting date	Expiration date
Vested RSU's	0.005	1,507,637	10/20/2021	10/20/2028
Vested RSU's	0.005	1,130,728	10/20/2022	10/20/2028
Unvested RSU's	0.005	1,130,728	10/20/2023	10/20/2028
Sum		**3,769,092**		

	Q4 2022		2022	
	Number of options	Average price	Number of options	Average price
Total unvested RSU's	1,130,728	0.005	1,130,728	0.005
Assigned RSU's	-	-	-	-
Cancelled RSU's	-	-	-	-
Dropped RSU's	-	-	-	-
Expired RSU's in the period	-	-	-	-
Exercised RSU's in the period	-1,130,728	0.005	-1,130,728	0.005
Total outstanding RSU's	**-**	**0.005**	**-**	**0.005**

Name	Grant date	Number of RSU's granted	Number of RSU's vested at 31.12.2022	Expiry date	Exercise price range
Thomas Berge (Interim CEO)	10/20/2020	878,775	615,142	10/20/2028	0.005
Morten Løken Edvardsen (Interim CFO)	10/20/2020	17,044	11,930	10/20/2028	0.005
Pål Marius Brun (Interim CTO)	10/20/2020	-	-	10/20/2028	0.005
Benoit Bole	10/20/2020	340,847	238,593	10/20/2028	0.005
Hendrik Faasch	10/20/2020	68,169	47,718	10/20/2028	0.005
Ina Rasmussen	10/20/2020	102,256	71,578	10/20/2028	0.005
Lin Ackema	10/20/2020	68,169	47,718	10/20/2028	0.005
Others (not specified)	10/20/2020	2,293,832	1,605,685	10/20/2028	0.005
Sum		**3,769,092**	**2,638,364**		

	Number of COB Options	Average price
Vested COB Options	-	-
Unvested COB Options	2,000,000	11.70
Total outstanding COB Options	**2,000,000**	

	Strike price	Number of options	Vesting date	Expiration date
Unvested COB Options	11.70	2,000,000	8/31/2024	8/31/2031
Sum		**2,000,000**		

	Q4 2022		2022	
	Number of options	Average price	Number of options	Average price
Total unvested COB Options	2,000,000	11.70	2,000,000	11.70
Assigned COB Options	-	-	-	-
Cancelled COB Options	-	-	-	-
Dropped COB Options	-	-	-	-
Expired COB Options in the period	-	-	-	-
Exercised COB Options in the period	-	-	-	-
Total outstanding COB Options	**2,000,000**	**11.70**	**2,000,000**	**11.70**

Name	Grant date	Number of COB Options granted	Number of COB Options vested at 31.12.2022	Expiry date	Exercise price range
Andre Alexander Christensen (Chair)	8/31/2022	2,000,000	-	8/31/2031	11.70
Sum		**2,000,000**	**-**		

As at 31.12.2022 there was a total of NOK 1.8 million accrued in social security expenses, based on a weighted average of the social security tax rates in the recipients countries.

Fair value of the LTI's and RSU's are calculated using an adjusted (for exercise behavior) Black-Scholes option pricing model.

The following assumptions are used in the calculations:

The share price is set equal to the offer price of LINK Mobility Group Holding ASA at the time of grant.

The strike price for the RSUs is set equal to the nominal share value (NOK 0.005).

We assume that historical volatility of a selected group comparable companies within the CPaaS-universe is an indication of future volatility.

Expected volatility is set identical to historical volatility, equal to 61 % in the calculations for the first LTI's and for the RSU's. The volatility for the LTI II is estimated at 51%, and the volatility for the COB options is estimated at 59.99%.

We assume that the employees will exercise the options at the mid-point between earliest and latest possible exercise opportunity. For the grant in 2022, the expected lifetime is set to vesting plus 1-year.

Risk free rate used in the calculations is set equal to the rate of Norwegian treasury bills and Government Bonds corresponding to the lifetime of the option.

Remuneration to the Board of Directors

The Board of Directors who did not waive their right to remuneration received payment in July/August 2022. On 31 May 2022, the Company's general meeting resolved the following remuneration for the Board of Directors for the period from 31 May 2022 until the annual general meeting is held in 2023:

Name	Remuneration
Andre Alexander Christensen (Chair)	675,000
Sabrina Emma Gosman	375,000
Robert Joseph Nicewicz Jr.	375,000
Grethe Viksaas	375,000
Sara Murby Forste	375,000
Jens Rugseth	375,000

Robert Joseph Nicewicz Jr. and Sabrina Emma Gosman have both waived their right to remuneration and therefore the Company will not remunerate these board members in accordance with the amounts set in the table above.

Remuneration to the Nomination Committee

On 31 May 2022, the Company's general meeting resolved the following remuneration for the nomination committee for the period from 31 May 2022 until the annual general meeting is held in 2023:

Name	Remuneration
Tor Malmo (Chair)	55,000
Oddny Svergja	35,000

No loans, advances, or guarantees have been granted to key group employees, Board members, or nomination committee members.

Note 9 Other operating expenses

(Amounts in NOK 1000)

	2022	2021
Advisors and consultants	82,854	66,360
IT, licenses and hosting	85,845	65,697
Restructuring costs	21,972	15,493
Cost related to acquisition of subsidiaries*	31,583	74,571
Sales and marketing cost	45,738	39,183
Cost for premises	21,875	19,087
Inventory and equipment	8,896	8,884
Bad debts expense	-2,561	-3,179
Other expenses**	45,542	30,771
Total other operating expenses	**341,745**	**316,867**

* This expense line item includes costs related to both completed and ongoing acquisitions.
** Other expenses include variable operating expenses related to overhead, travel costs and other operating expenses.

The table below summarises audit fees for FY2022 (FY2021) and fees for audit related services, tax services and other services incurred by the Group during the period. Fees include both Norwegian and foreign subsidiaries.

	2022	2021
Audit fee	9,108	5,729
Other attestation services	459	37
Tax consulting services	-	253
Other services*	969	2,336
Total fee to auditor	**10,536**	**8,355**

*In addition to the fees presented above NOK 50k (2021: NOK 1,647k), is remunerated to auditors other than PwC.

Note 10 Net finance income and expenses

(Amounts in NOK 1000)

The Group's finance income and expense is comprised of gains (losses) from foreign exchange and from exposure to interest expenses related to loans from financial institutions. Interest amounts are presented as a sum of interest on borrowings offset by amortised cost recognised in the profit and loss.

All categories of financial income and expense are presented on a net basis.

Net financial income and expenses	**2022**	**2021**
Net currency exchange gains (losses)[1]	93,776	99,745
Net interest expense	-148,556	-127,518
Net other financial expense	17,670	13,291
Total finance income	-37,109	-14,481

Net interest expense	**2022**	**2021**
Interest expense financial institutions	-	-
Other interest income (expenses)	1,941	-12,303
Interest expense leases	-3,907	-3,330
Interest expense bond loan	-146,590	-111,885
Total net interest expense	-148,556	-127,518

Net other financial expenses	**2022**	**2021**
Amortized loan set-up costs	-	-
Previously capitalized loan set-up costs	-	-
Earn-out payment from M&A transactions[2]	15,810	13,291
Other financial (expenses) income	1,860	-
Total net other financial expenses	17,670	13,291

[1] Foreign currency gain/loss is presented on a net basis here and in the Consolidated Statement of Profit and Loss. Exposure to fluctuations in foreign currency comes from external lending denominated in EUR. Refer to note 19 (interest-bearing liabilities) and note 20 (financial instruments, risk management objectives, and policies) for further details.

[2] 2022: This is comprised of the settlement to Teracomm and the revaluation of the earn-out for Marketing Platform.
2021: This is representative of a change in estimate related to the acquisition of Marketing Platform. This does not have any cash effect.

Note 11 Earnings per share

(Amounts in NOK 1000)

The Group's earnings per share are calculated as below:

	2022	2021
Net loss	-151,106	-77,561
Owners of LINK Mobility Group Holding ASA	-151,106	-77,561
Weighted average number of ordinary shares (basic)		
Issued ordinary shares at 01 January	294,252	270,911
Effect of shares issued (11 March 2021)		1,227
Effect of shares issued (31 May 2021)		1,688
Effect of shares issued (07 June 2021)		1,723
Effect of shares issued (24 June 2021)		16,755
Effect of shares issued (11 November 2021)		1,235
Effect of shares issued (14 December 2021)		713
Effect of shares issued (07 July 2022)	588	
Effect of shares issued (14 November 2022)	929	
Effect of shares issued (24 November 2022)	120	
Weighted average number of ordinary shares (basic) at 31 December	**295,890**	**294,252**
Basic loss per share (NOK)	-0.51	-0.26
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares (basic)	295,890	294,252
Effect of share options on issue	2,076	-
Weighted average number of ordinary shares (diluted) at 31 December	**297,966**	**294,252**
Diluted loss per share (NOK)	-0.51	-0.26
Number of outstanding ordinary shares per 01.01	294,252	270,911
Number of outstanding ordinary shares per 31.12	295,890	294,252

Note 12 Transactions with related parties

(Amounts in NOK 1000)

Balances and transactions between LINK Mobility Group Holding ASA and its subsidiaries, which are related parties of LINK Mobility Group AS, have been eliminated on consolidation and are not disclosed in this note.

During the year, the Group has not entered into any transactions with related parties.

At 31 December 2022, the Company had no balances with related parties.

Note 13 Intangible assets

(Amounts in NOK 1000)

Year ended 31 December 2021	Trade name	Customer relations	Technology	Goodwill	Total
Opening net book value	300,507	966,985	556,002	3,982,843	**5,806,337**
Net additions from acquired businesses	7,620	1,016,619	283,188	1,723,787	**3,031,214**
Additions in the period	-6	1,774	132,572	-	**134,341**
Exchange differences	-144	-1,752	-7,610	-92,119	**-101,625**
Amortization charge	-13,209	-177,533	-118,508	-	**-309,250**
Closing net book amount	294,768	1,806,093	845,644	5,614,510	**8,561,016**

At 31 December 2021					
Cost	337,766	2,156,700	1,259,323	5,639,113	**9,392,901**
Accumulated amortisation and impairment	-42,997	-350,607	-413,678	-24,603	**-831,885**
Net book amount	294,768	1,806,093	845,644	5,614,510	**8,561,016**

Estimated useful life	25 years	7-10 years	3-10 years	Indefinite	
Amortisation method	Linear	Linear	Linear		

Year ended 31 December 2022	Trade name	Customer relations	Technology	Goodwill	Total
Opening net book value	294,768	1,806,093	845,644	5,614,510	**8,561,016**
Net additions from acquired businesses	-	37,608	-	28,175	**65,783**
Additions in period	-20	3,006	168,925	-	**171,912**
Exchange differences	392	128,001	35,049	325,952	**489,394**
Amortization charge	-13,209	-236,738	-140,017	-	**-389,964**
Impairment of goodwill	-	-	-	-180,360	**-180,360**
Closing net book amount	281,931	1,737,970	909,601	5,788,277	**8,717,780**

At 31 December 2022					
Cost	338,767	2,423,175	1,535,172	5,788,277	**10,085,390**
Accumulated amortisation and impairment	-56,835	-685,204	-625,571	-	**-1,367,611**
Net book amount	281,931	1,737,970	909,601	5,788,277	**8,717,780**

Estimated useful life	25 years	7-10 years	3-10 years	Indefinite	
Amortisation method	Linear	Linear	Linear		

Trade name

The LINK name was established in 2008 and has become a known name within the mobile solutions industry. The estimated useful life is determined to be 25 years and is amortised accordingly. The trade name has not been allocated to specific CGUs.

Customer Relationships

For customer relationships identified and recognised through business combinations, the amortisation period is estimated to be between 7-10 years. The amortisation period is based on an analysis of customer churn and the remaining useful life of the customer relationships recogonised in the balance sheet.

Technology

Amortisation of capital expenditure for the development of Group technology is between 3-10 years. For technology acquired through business combinations, the amortisation period is between 7-10 years based on an evalution of the technological solution.

Goodwill

Goodwill generated from business combinations is primarily related to anticipated growth prospects for the acquired businesses.

Impairment test

Goodwill and other intangible assets with an indefinite useful life (i.e. trade name) are not amortised. They are tested for impairment on an annual basis at a cash generating unit (hereafter "CGU") level, and more frequently if there are indications that amounts may be impaired. In accordance with IAS 36 - Impairment of Assets, the carrying amount of the CGU to which goodwill has been allocated is compared with the recoverable amount of the CGU. The recoverable amount is determined based on value-in-use calculations. These calculations use cash flow projections reflective of management's best estimate extended over a five year period. The assumed growth rate has been based on the management growth estimate for the next five years and subsequently reduced to 2% for the purpose of determining the terminal value. The pre-tax discount rates applied to the cash flows are calculated based on the weighted average cost of capital (WACC) specific to each CGU and are within the range of 6.8% - 17.5%.

Based on the calculations referred to above, it has been concluded that the recoverable amount exceeds the carrying amount of each CGU with the exception of Spain. Upon testing for impairment, growth assumptions and future discounted cash flows are evaluated to ensure that the carrying value of intangible assets is correct; this resulted in an impairment of goodwill in the Spanish CGU equal to NOK 180 million (FY2021 - nil). There are no indications of further impairment and all other CGU's have sufficient headroom.

Goodwill has been allocated to each CGU as presented in the table below. The Group classifies each country in it operates in as a CGU:

Norway	806,490
Sweden	197,135
Denmark	315,959
Finland	220,968
Germany	731,822
Spain	24,015
Poland	261,761
Bulgaria	65,259
France	415,993
Switzerland	186,076
Italy	266,435
Austria	476,121
United Kingdom	6,886
Hungary	13,677
Netherlands	137,120
USA	1,662,557
Total	**5,788,277**

The impairment test shows that the recoverable amounts significantly exceed the carrying amount of the CGUs.

Sensitivity analysis

In connection with the impairment testing of intangible assets, a sensitivity analysis has been performed. The sensitivity analysis has tested changes in terminal growth; if no terminal growth (zero-rated) is used, there is still impairment headroom for all CGU's with the exception of the Spain. The estimates used to determine future cash flows and WACC when calculating value in use are subject to uncertainty. The assumptions are described as follows:

Budgeted period - The basis for the projection of the future cash flows estimated is based on the financial budget of one year. The budget in combination with the forecasts represent management's best estimate of the rance of economic conditions that will exist over a five-year period. The forecasted years are estimated based on the company's strategic initiatives.

Local currency and Fx rates - All CGU's forecasted projections are done using NOK.

Terminal value - terminal value is calculated using the Gordon growth formula based on previous year cash-flow, user-specified long-term growth and WACC for the specific CGU.

WACC - future cash flows are discounted to present value using a discounted rate based on a calculation of a weighted average cost of capital (WACC). The pre-tax WACC is based on an average interest rate adjusted for each CGU.

Management have concluded that no forseable change in any of the key assumptions used in the impairment test would cause the carrying amounts of the cash-generating units with significant goodwill to exceed recoverable amounts.

Note 14 Equipment and fixtures

(Amounts in NOK 1000)

Period ended 31 December 2021	
Opening net book amount	25,083
Additions	811
Net additions from acquired businesses	2,506
Disposals	138
Depreciation charge	-7,096
Translation differences	-956
Closing net book amount 31.12	**20,485**

Period ended 31 December 2022	
Opening net book amount	20,485
Additions	8,084
Net additions from acquired businesses	-
Disposals	-32
Depreciation charge	-7,456
Translation differences	1,062
Closing net book amount 31.12	**22,143**

Cost	112,369
Accumulated depreciation	-90,226
Net book amount 31.12	**22,143**

Estimated useful life, depreciation plan and residual value is as follows:	
Economic (useful) life	3-5 years
Depreciation plan	Linear

Note 15 Trade and other receiveables

(Amounts in NOK 1000)

	2022	2021
Trade receivables	1,029,665	676,054
Accrued revenue	167,354	158,253
Prepayments	17,548	50,680
Other receivables	29,191	19,936
Total trade and other receivables	1,243,758	904,923

The above trade receivables and other receivables represent the Group's maximum exposure to credit risk at the balance sheet date.

Trade accounts receivable relate to the sale of mobile messaging transactions, payment services, licenses, and consulting services; these are within the normal operating cycle.

Accrued revenues are representative of an estimate for messaging traffic based on submitted volumes and delivery of professional services were the performance obligation criteria is met.
The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. Based on historical trends, the Group recognises a loss allowance of 100% against all receivables over 120 days past due, unless it is probable that the receivable will be collected based on past experience with customer and financial position of the debtor. Additional allowances for specific balances are recognised based on past experience and an analysis of the financial position of the debtor along with other relevant factors.

There is no loss allowance related to accrued revenues.

The Group has recognised a provision for bad debts of KNOK 37 997 (FY2021 - KNOK 37 621). Trade receivables recognised as a part of business combinations are recognised at fair value on the date of acquisition, allowance for impairment amounted to KNOK 0 (FY2021 - KNOK 0).

Ageing of past due but not impaired trade receivables

(in thousands of NOK)	2022	%	2021	%
Not past due	611,159	59 %	474,157	70 %
1-30 days overdue	204,810	20 %	131,112	19 %
31-60 days overdue	81,695	8 %	17,891	3 %
61-90 days overdue	58,242	6 %	14,308	2 %
91-180 days overdue	38,941	4 %	18,362	3 %
More than 180 days overdue	34,818	3 %	20,225	3 %
Total	**1,029,665**	**100 %**	**676,054**	**100 %**

Note 16 Cash and cash equivalents

(Amounts in NOK 1000)

	2022	2021
Cash and cash equivalents	826,851	843,618
Total cash and cash equivalents	**826,851**	**843,618**

Restricted cash	2022	2021
Taxes withheld	10,175	13,181
Other restricted cash	4,582	4,354
Total restricted cash	**14,757**	**17,535**

Cash and cash equivalents include restricted cash related to regulatory requirements.
The cash pool is a zero-balancing cash-pool, including the automatic transfers of funds between a master account and subsidiary accounts to cover deposit and withdrawal activity wihin the arrangement.

LINK Mobility Group AS is the cash pool administrator/master and holder of the top accounts in different currencies (defined as Facility Accounts). In addition to Facility Accounts, various transactional accounts exist in the same currency as the Facility Account; these are defined as Detail Accounts.

Funds deposited into a Detail Account are automatically and instantly transferred to a Facility Account. Similarly, funds withdrawn from a Detail Account are automatically and instantly transferred from a Facility Account. The Detail Accounts maintain a balance of zero, whereas each Facility Account holds the credit or debit balance of the funds available for drawing in the cash pool.

A Facility Account (and its balance) is owned solely by LINK and creates rights and obligations only between LINK and the bank. The balance on the Facility Accounts is subject to interest calculations between LINK and the bank. Transactions (deposits or withdrawals) cannot be performed on a Facility Account, but must be performed using a Detail Account.

The Bank registers each transaction between each Facility Account and each Detail Account in the cash pool and the total balance thereof. This balance reflects the intra-Group balance between LINK and each Detail Account Holder. The participating entities of the Group have internal balances toward LINK through the use of the Detail Accounts.

Note 17 Share capital and shareholder information

Share capital as at 31 December 2022 is KNOK 1 480 (2021: KNOK 1 471), being 295 890 306 ordinary shares (2021: 294 252 254 ordinary shares) at a nominal value of NOK 0.005/share (2021: NOK 0.005/share). There are no preference shares in FY2022 (FY2021: nil).

All shares were fully paid; each ordinary share carries one vote at any general meeting.

The movement in the number of shares during the year was as follows:

	2022	2021
Ordinary shares opening balance 2022/2021	294,252,254	270,911,039
Issue of ordinary shares (11 March 2021)		1,226,637
Issue of ordinary shares (31 March 2021)		1,687,589
Issue of ordinary shares (31 May 2021)		1,723,310
Issue of ordinary shares (07 June 2021)		16,755,069
Issue of ordinary shares (24 June 2021)		1,235,424
Issue of ordinary shares (14 December 2021)		713,186
Issue of ordinary shares (07 July 2022)	588,127	
Issue of ordinary shares (14 November 2022)	929,457	
Issue of ordinary shares (24 November 2022)	120,468	
Ordinary shares at the end of the period	**295,890,306**	**294,252,254**
Total number of shares at the end of the period	**295,890,306**	**294,252,254**

LINK Mobility Group Holding ASA has the following major shareholders as at 31 December 2022:

Name of shareholder	Type of account	Ownership interest
Citibank, N.A.	Nominee	31.65%
State Street Bank and Trust Comp	Nominee	7.68%
KARBON INVEST AS	Ordinary	5.39%
Citibank, N.A.	Nominee	4.53%
FOLKETRYGDFONDET	Ordinary	4.28%
The Bank of New York Mellon SA/NV	Nominee	3.34%
Danske Bank A/S	Nominee	3.23%
FERD AS	Ordinary	2.49%
SKANDINAVISKA ENSKILDA BANKEN AB	Ordinary	1.78%
The Bank of New York Mellon	Nominee	1.44%
VERDIPAPIRFONDET FIRST GENERATOR	Ordinary	1.32%
Saxo Bank A/S	Nominee	1.31%
NORDEA BANK ABP	Broker	1.20%
BARCLAYS CAPITAL SEC. LTD FIRM	Ordinary	1.17%
DEFA ENDEAVOUR AS	Ordinary	1.16%

Name of shareholder	Type of account	Ownership interest
Citibank, N.A.	Nominee	1.13%
J.P. Morgan SE	Nominee	1.09%
The Bank of New York Mellon SA/NV	Nominee	0.85%
VERDIPAPIRFONDET DELPHI NORDIC	Ordinary	0.85%
The Bank of New York Mellon SA/NV	Nominee	0.84%
		76.74%

The company's trustees (Board Members, management) hold ownership interests and rights to shares:

Name of shareholder	Total number of shares
Victory Partners VIII Limited via a nominee account in Citibank (controlled by Abry who have 2 Board members)	93,612,321
Karbon Invest AS (controlled by Jens Rugseth)	15,945,105
Sundahl Aps (controlled by Consultant GLT - Søren Sundahl)	9,586,565
Rugz AS (controlled by Jens Rugseth)	500,000
Thomas Berge	331,122
Ina Rasmussen	51,213
Benoit Bole	50,000
Hendrik Faasch	47,719
Lin Ackema	29,460
Pål Marius Brun	16,251
Sara Murby Forste	15,957
Morten Løken Edvardsen	6,595
Grethe Helene Viksaas (Board member)	6,382

Note 18 Classes and categories of financial instruments

(Amounts in NOK 1000)

2022	Carrying value Amortised cost	Total
Current financial assets		
Trade receivables	1,029,665	1,029,665
Cash and cash equivalents	826,851	826,851
Non-current financial liabilities		
Borrowings	3,837,096	3,837,096
Lease liabilities	34,381	34,381
Current liabilities		
Borrowings	5,470	5,470
Lease liabilities	14,217	14,217
Trade payables	698,333	698,333

The financial assets held by the Group are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances.

All financial liabilities are measured at amortized cost.

The carrying amounts of financial assets and liabilities approximate their fair value as at 31 December 2022. Arrangements with financial institutions are entered into on market terms, and the carrying value at the reporting date has been assessed as approximating fair value.

The recognised amounts consitute a reasonable approximation of fair value.

Note 19 Interest-bearing liabilities

(Amounts in NOK 1000)

Interest bearing liabilities are measured at amortised cost.

Non-current financial liabilities	**2022**	**2021**
Bond loan	3,837,096	3,629,772
Long-term lease liability	34,381	45,040
Holdback	-	66,698
Total	**3,871,478**	**3,741,510**

Current liabilities	**2022**	**2021**
Holdback	-	15,598
Short-term lease liability	14,217	16,906
Debt to financial institutions/bond loan*	5,470	8,856
Total	**19,688**	**41,360**

*Instalments falling due within a 12 month period, including non-capitalised interest, are classified as current.
The book value of borrowings is estimated to approximate their fair value.

Facility / Currency	**Debt out-standing**	**Amortized cost EUR**	**Amortized cost NOK**	**Maturity**	**Term**	**Interest p. a.**	**Due date Interest**
Bond loan (tap issue 15.12.2020)	200,000	198,388	1,981,657	15 Dec 2025	5 year	3.375 % p.a.	Half yearly
Bond loan (tap issue 23.06.2021)	170,000	164,996	1,648,115	15 Dec 2025	5 year	3.375 % p.a.	Half yearly
Total			**3,629,772**				

	2022	**2021**
Bond loan (tap issue 15.12.2020)	2,102,883	1,998,768
Bond loan (tap issue 23.06.2021)	1,786,041	1,699,011
Transaction costs (tap issue 15.12.2020)[1]	-21,228	-21,228
Transaction costs (tap issue 23.06.2021)[1]	-56,127	-56,127
Amortisation (tap issue 15.12.2020)	8,215	4,118
Amortisation (tap issue 23.06.2021)	17,313	5,231
Accrued interest and fees	5,470	6,980
Carrying amount	**3,842,567**	**3,636,753**

[1] The bond loan is initially measured at fair value net of transaction costs and it is subsequently measured at amortized cost using the effective interest rate method. Consequently, the transaction cost will be amortized over the life of the bond loan. The carrying value of the bond loan will be equal to the principal amount of EUR 370 million at maturity in FY2025.

Maturity analysis of borrowings (including interest)

Contractual maturities of financial liabilities at 31 December 2022	< 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	Total
Bond loan (tap issue 15.12.2020)	-	70,968	70,968	2,173,728	2,315,664
Bond loan (tap issue 23.06.2021)	-	60,323	60,323	1,847,669	1,968,315
Lease liabilities	-	14,217	11,460	22,921	48,599
Holdback	-	-	-	-	-
Total	**-**	**145,508**	**142,752**	**4,044,318**	**4,332,578**

Contractual maturities of financial liabilities at 31 December 2021	< 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	Total
Bond loan (tap issue 15.12.2020)	-	67,424	67,424	2,132,609	2,267,458
Bond loan (tap issue 23.06.2021)	-	57,311	57,311	1,812,717	1,927,339
Lease liabilities	-	16,906	15,013	30,027	61,946
Holdback	160	15,598	66,538	-	82,296
Total	**160**	**157,239**	**206,286**	**3,975,353**	**4,339,038**

Covenants

Under the bond terms, the Group is required to comply with the following financial covenants at the respective quarterly and annual test dates:

Financial Reporting:

- Publish interim accounts (quarterly reports) in the English language on the Group website (or other relevant platform) no later than 60 days after the end of the relevant interim period.
- Publish annual financial statements in the English language on the Group website (or other relevant platform) no later than 120 days after the end of the fiscal year.

A compliance certificate is to be provided with a copy of the financial reports; the compliance certificate is to be signed by the Chief Executive Officer or the Chief Financial Officer to certify that the financial reports are fairly representative of its financial condition as at the date of those financial statements.

Accounting standards are to be consistently applied.

Financial Indebtedness:

Except as permitted, the Issuer shall not, and shall procure that no other Group Company will, incur any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness.

Negative Pledge:

Excluding Permitted Security, the Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future).

Disposals of Business:

The Issuer shall not, and shall ensure that no other Group Company will, sell, transfer or otherwise dispose of all or substantial part of its assets or operations unless the transaction is carried out at fair market value, on terms and conditions customary for such transaction and such transaction would not have a Material Adverse Effect.

Distribution:

Except as permitted, the Issuer shall not, and shall procure that no other Group Company will make any Distribution.

Incurrence Test:

The incurrence test is met if the Leverage Ratio is less than, for any additional Financial Indebtedness (3.50x) or for Distributions (1.50x).

The Interest Coverage Ratio exceeds 3.0x.

Compliance with the Incurrence Test is subject to in each cash, that no Event of Default is outstanding or would result from the relevant event for which compliance with the Incurrence Test is required.

Collateral and guarantees

On 15 December 2020, LINK Mobility Group Holding ASA (LINK) successfully completed the issuance of EUR 200 million senior unsecured bonds, with a EUR 350 million borrowing limit. Part of the proceeds from the bond issue were used to repay the remaining outstanding senior facility agreement (SFA).

On 23 June 2021, LINK issued EUR 170 million new bonds in LINK's outstanding 5-year senior unsecured 3.375% fixed rate bond issue, raising the total outstanding amount to EUR 370 million. The bonds were issued at par.

The bonds have a 5-year tenor and a fixed coupon of 3.375% p.a.; any outstanding bonds are to be repaid in full at the maturity date.

(Amounts in NOK 1 000)	**2022**	**2021**
Bond principal	3,888,923	3,697,779
Transaction costs[1]	-77,355	-77,355
Debts secured by collateral	**3,811,568**	**3,620,424**

[1] The bond loan is initially measured at fair value net of transaction costs and it is subsequently measured at amortized cost using the effective interest rate method. Consequently, the transaction cost will be amortized over the life of the bond loan. The carrying value of the bond loan will be equal to the principal amount of EUR 370 million at maturity in FY2025.

Movements in borrowings

See table below for changes in liabilities arising from financing activities, both cash flows and no cash flow changes.

	Bond loan	Holdback	Other	Total
31/12/2020	2,076,184	24,340	5,235	2,105,759
New debt	1,729,189	67,331	-	1,796,520
Cancellation of debts	-	-7,819	-5,235	-13,054
Effects of foreign exchange	-123,504	-1,556	-	-125,059
Transaction costs	-56,127	-	-	-56,127
Amortization	9,186	-	-	9,186
Interest and fees paid	-110,060	-	-	-110,060
Interest and fee expenses	111,885	-	-	111,885
31/12/2021	**3,636,753**	**82,296**	**-**	**3,719,049**

	Bond loan	Holdback	Other	Total
31/12/2021	3,636,753	82,296	-	3,719,049
New debt	-	-	-	-
Cancellation of debts	-	-86,260	-	-86,260
Effects of foreign exchange	191,144	3,964	-	195,109
Transaction costs	-		-	-
Amortization	16,180	0	-	16,180
Interest and fees paid	-130,140	-1,944	-	-132,084
Interest and fee expenses	128,630	1,944	-	130,574
31/12/2022	**3,842,567**	**0**	**-**	**3,842,567**

Note 20 Financial instruments, risk management objectives, and policies

Through its operations the Group is exposed to the the following financial risks;

- Interest rate risk
- Foreign exchange risk
- Credit risk
- Liquidity risk

Interest rate risk

Interest rate risk arises as a consequence of long-term debt. In December 2020 the Company successfully completed the issuance of EUR 200 million senior unsecured bonds, with a EUR 350 million borrowing limit.

On 23 June 2021, LINK issued EUR 170 million new bonds in LINK's outstanding 5-year senior unsecured 3.375% fixed rate bond issue, raising the total outstanding amount to EUR 370 million. The bonds were issued at par; refer to note 19 for further details.

The sensitivity analysis below is based on the exposure to changes in interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount outstanding at reporting date was outstanding for the whole year. A one percent increase or decrease represents management's assessment of reasonable and possible changes in interest rates.

If interest rates had been one percent higher/lower and all other variables were held constant, the Group's profit (and corresponding equity) for the period ended 31 December 2022 would decrease/increase by KNOK 38 901 (FY2021 KNOK 36 959). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

Foreign exchange risk

The Group undertakes business in foreign currencies and is consequently exposed to fluctuations in exchange rates. Foreign exchange risk arises from transactions related to operations conducted, and assets and liabilities arising in foreign currencies. The Group undertakes transactions denominated in NOK, DKK, EUR, SEK, PLN, BGN, CHF, GBP, HUF, RON, MKD and USD. Revenue and cost transactions within foreign subsidiaries are normally carried out in the same currency, which mitigates the currency risk.

However, as the Group's overall financial reporting is presented in NOK, changes in the value of DKK, EUR, SEK, PLN, BGN, CHF, GBP, HUF, RON, MKD or USD in relation to NOK affect the Group's overall revenue, profit or loss and financial position. Based on exposure throughout the year and balances at the period-end, the Group assesses that fluctuations in NOK/EUR, NOK/SEK and NOK/CHF have the most significant impact on the financial reporting of financial assets and liabilities. The table below summarises the impact a change in these currencies will have on the consolidated income statement and on retained earnings/accumulated losses as at 31 December 2022. The analysis is based on the assumption that the foreign exchange rates increase or decrease by 10%, all other variables held constant.

	31 December 2022		
(amounts in NOK 1000)	NOK/EUR impact	NOK/CHF impact	NOK/SEK impact
Trade receivables	68,171	25,619	16,623
Trade payables	58,596	15,822	6,155
Borrowings	389,011	-	-

Credit Risk

Credit risk is the risk of a counterparty defaulting. The Group's credit risk is limited to trade and other receivables and is mitigated by the Group's guidelines to ensure that credit sales are only made to customers with high credit rating. Customers with a low credit rating are required to prepay for services rendered by the Group.

The Group's credit risk related to trade receivables is assessed to be limited due to the high number of diverse customers in the Group's customer base. Refer to note 15 for additional information related to trade and other receivables.

The carrying value of trade and other receivables represent the Group's maximum exposure to credit risk at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its financial obligations when they mature, resulting in default.

The Group considers its liquidity risk to be limited, and has sufficient liquidity available on bank accounts as of year-end. Refer to notes 19 and 21 for information about maturity of trade and other payables and borrowings.

The Group has no credit facilities. Subsidiaries receive all funding from the Group and are not permitted to raise external financing independently.

The Group has financial debt covenants related to the senior unsecured bonds. Refer to note 18 for information about the bond convenants.

Capital management

The Group focuses on maintaining sufficient cash resources to ensure the ability to finance further activities.

Note 21 Trade and other payables

(Amounts in NOK 1000)

Trade and other payables	2022	2021
Trade payables	698,333	579,542
Public duties	36,225	74,227
Accrued vacation pay	53,193	55,259
Accrued expenses	543,335	353,590
Total trade and other payables	**1,331,086**	**1,062,618**

Trade payables is comprised of amounts outstanding for trade purchases. Accrued expenses are representative of accrued cost of goods sold for which a final invoice has not been received.

Trade and other payables are due within three months.

Note 22 Income tax

(Amounts in NOK 1000)

Specification of income tax expense

The tax benefit/(expense) is calculated based on profit before income tax and consists of current tax and deferred tax.

	2022	2021
Deferred tax expense (income)	-35,542	-44,583
Current tax expense	31,219	74,474
Income tax expense (income)	-4,323	29,891

Income tax payable (balance sheet)	2022	2021
Income tax payable	2,578	29,627
Current tax liabilities (balance sheet)	2,578	29,627

Effective Tax Rate

The difference between income tax calculated at the applicable income tax rate and the income tax expense attributable to loss before income tax was as follows:

	2022	2021
Profit/(loss) before income tax	-155,429	-47,670
Statutory income tax rate*	22%	22%
Expected income tax expense/(benefit)	-34,194	-10,487
Tax effect on non-taxable income/expenses	-21,916	-5,566
Tax effect non deductible expenses	62,029	46,073
Prior year adjustment	-8,230	5,839
Effect of changes in tax rules and rates	4,458	-1,652
Non deductible interest, interest cap rules	-	14,135
Change in deferred tax asset not recognized	-6,470	-18,450
Income tax expense/income (-) for the year	**-4,323**	**29,891**
Effective tax rate	3%	-63%

* The statutory income tax rate based on the currently enacted tax rate in Norway.

Specification of the tax effect of temporary differences and losses carried forward

Tax losses and interest cap for which no deferred tax asset has been recognised

	2022	2021
Unused tax loss carry forward	76,039	-
Interest cap	361,459	365,406
Potential tax benefit unused tax losses, 22%	16,728	-
Potential tax benefit interest cap, 22 %	79,521	80,389

The unused tax loss carry forward balances are related to Netsize S.A. For this company the benefit from the unused tax losses is uncertain.

Interest cap is related to LINK Mobility Group Holding ASA and to LINK Mobility Group AS. The benefit from the interest cap carried forward is uncertain and the amount can be carried forward for 10 years.

Unrecognised temporary differences

	2022	2021
Temporary differences for which deferred tax liabilities have not been recognised	-	-
Unrecognised tax liabilities relating to the above temporary differences, 22 %	-	-

Tax effect of temporary differences and tax losses carried forward as of 31 December

Deferred tax assets:	**2022**	**2021**
Tangible and intangible assets	12,096	6,569
Interest	-	-
Other non-current items	7,787	9,434
Total tax effect of temporary differences	**19,884**	**16,003**
Deferred tax asset arising from tax losses carried forward	113,262	126,941
Deferred tax assets	**133,145**	**142,944**

Deferred tax liabilities:	**2022**	**2021**
Intangible assets (mainly due to PPA business combinations)	498,624	528,555
Other	34,440	28,406
Deferred tax liabilities	**533,064**	**556,961**

Note 23 Contingencies and legal claims

As at 31 December 2022 and as at the date of signing of this annual report, certain Group subsidiaries are involved in ongoing legal proceedings as either defendant or as plaintiff. Due to the uncertain outcome for all of these ongoing proceedings, there are no provisions (contingent or otherwise) accounted for in the financial statements or disclosed elsewhere in the notes to the financial statements. Claims for which Group entities are defendants are deemed to be low risk as the majority are covered by guarantees as a result of acquisitions (M&A).

A list of ongoing legal proceedings is provided as follows:

Entity	**Counterparty**	**Claim**	**Position**
Netsize S.A.	Public Authority	€ 300,000	Defendant
LINK Mobility GmbH	Supplier	€ 250,000	Defendant
LINK Mobility Italia Srl	Customer	€ 262,000	Defendant
LINK Mobility Italia Srl	Customer	€ 210,000	Defendant
Teracomm RO SRL	Customer	€ 460,000	Defendant
LINK Mobility Spain S.L.U.	Supplier	€ 275,000	Defendant
LINK Mobility Spain S.L.U.	Supplier	€ 378,000	Defendant
LINK Mobility Poland Sp. z.o.o.	Customer	€ 1,700	Defendant
LINK Mobility Austria GmbH	Private Person	€ 386,660	Plaintiff
LINK Mobility Austria GmbH	Private Person	€ 160,000	Plaintiff
LINK Mobility EAD	Customer	€ 5,545	Plaintiff
LINK Mobility EAD	Customer	€ 112,000	Plaintiff
LINK Mobility EAD	Customer	€ 4,745	Plaintiff
LINK Mobility GmbH	Supplier	€ 1,000,000	Plaintiff

Note 24 Events after the reporting date

As at the date of this report, there are no events after the reporting date.

Alternate performance measures ("APM's")

The financial information in this report is prepared under International Financial Reporting Standards (IFRS), as adopted by the EU. To enhance the understanding of LINK's performance, the Group presents several alternative performance measures ("APM's"). An APM is defined by the European Securities and Markets Authority (ESMA) guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS).

Below, LINK presents certain APMs, including gross profit, gross margin, EBITDA, adjusted EBITDA, and adjusted EBITDA margin. APMs such as EBITDA are commonly reported by companies in the markets in which LINK competes and are widely used by investors when comparing performance on a consistent basis without regard to factors such as depreciation and amortization, which can vary significantly, depending upon accounting methods (particularly when acquisitions have occurred) or based on non-operating factors.

LINK uses the following APMs:

Gross Profit

Gross Profit means revenues less direct costs of services rendered.

Gross margin

Gross margin means gross profit as a percentage of total operating revenues.

Adjusted EBITDA

Adjusted EBITDA means EBITDA adjusted by expenses related to significant one-time, non-recurring events such as acquisitions and restructuring activities, legal advisors, and share-based compensation. LINK has presented adjusted EBITDA in the consolidated statement of profit and loss because management believes the measure provides useful information regarding operating performance."

Adjusted EBITDA margin

Adjusted EBITDA margin is presented as adjusted EBITDA as a percentage of total operating revenues in the respective periods.

EBITDA

EBITDA means earnings before interest, taxes, amortization, depreciation, and impairments. LINK has presented EBITDA in the consolidated statement of profit and loss because management believes that the measure provides useful information regarding the Group's ability to service debt and to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies.

See below for a reconciliation of EBITDA to Adjusted EBITDA, and adjusted EBITDA margin.

NOK '000	YTD 2022	YTD 2021
Operating profit (loss), ("EBIT")	-118,320	-33,189
Add: Depreciation intangible assets	595,952	337,706
EBITDA	**477,632**	**304,517**
Add: Restructuring costs	71,937	26,815
Add: Share-based compensation	43,631	149,457
Add: Expenses related to acquisitions	32,021	75,870
Adjusted EBITDA	**625,221**	**556,659**
Operating revenues	5,190,049	4,410,136
Adjusted EBITDA	625,221	556,659
Adjusted EBITDA margin	**12.0 %**	**12.6 %**

Net debt

The Group monitors Net debt according to Bond loan terms which includes interest-bearing debt and debt like arrangements. Net debt is derived from the balance sheet and consists of both current and non-current liabilities such as bond loan, other debt from financial institutions and current and non-current lease liabilities less cash and cash equivalents. Sellers credits, holdback and earn-outs are excluded to the extent they are not interest-bearing.

Net debt/LTM adjusted EBITDA

LINK measures leverage ratio as Net debt/Last Twelve Months Adjusted EBITDA. The measure provides useful information about the financial position. Due to the significant M&A activity LINK uses the Last Twelve Months Proforma Adjusted EBITDA to calculate net debt to present a comparable measure over time.

Below is a reconciliation of Net debt and Net debt/LTM adjusted EBITDA ratio:

NOK '000	YTD 2022	YTD 2021
Bond loan*	3,737,777	3,695,856
Other long-term		-
IFRS 16 liabilities	48,599	61,946
Seller's credit (interest bearing)	-	66,698
Less cash	-826,851	-843,618
Net debt	**2,959,525**	**2,980,882**
LTM adjusted EBITDA (proforma)	**638,488**	**619,304**
Net debt/LTM adjusted EBITDA	**4.6**	**4.8**

* The bond loan presented here is converted to NOK using the average of the monthly average currency exchange rates for the last twelve months.

Income Statement

For the period ended 31 December
(Amounts in NOK 1000)

	Note	2022	2021
Other operating expenses	6	-5,106	-5,727
Total operating expenses		**-5,106**	**-5,727**
Operating loss		**-5,106**	**-5,727**
Finance income and finance expenses			
Net currency exchange gains (losses)		44,385	168,532
Net interest expense		-24,943	-35,837
Net other financial income (expenses)		-16,138	1,331,915
Total finance income	**7**	**3,304**	**1,464,610**
Profit before income tax		**-1,802**	**1,458,883**
Income tax	14	-1,143	-5,017
Profit for the period		**-2,945**	**1,453,866**

The accompanying notes are an integral part of these financial statements.

Statement of financial position

(Amounts in NOK 1000)

ASSETS	Note	31 December 2022	31 December 2021
Investment in LINK Mobility Group AS	5	8,026,174	7,978,341
Long-term receivables - intercompany	7	3,181,121	2,914,375
Total non-current assets		**11,207,295**	**10,892,716**
Cash and cash equivalents	8, 10	14,794	139,684
Total current assets		**14,794**	**139,684**
TOTAL ASSETS		**11,222,089**	**11,032,400**
EQUITY AND LIABILITIES			
Share capital		1,479	1,471
Share premium and other reserves		5,880,630	5,826,515
Retained earnings (accumulated losses)		1,479,622	1,482,567
Total equity	**9**	**7,361,731**	**7,310,554**
Liabilities			
Long-term borrowings	11	3,837,096	3,698,186
Deferred tax	14	16,948	15,806
Loans and borrowings - intercompany		425	464
Total non-current liabilities		**3,854,470**	**3,714,456**
Short-term borrowings	10, 11	5,470	6,980
Trade payables and other payables	10, 13	418	410
Current tax liabilities	14	-	-
Total current liabilities		**5,888**	**7,390**
Total liabilities		**3,860,358**	**3,721,846**
TOTAL EQUITY AND LIABILITIES		**11,222,089**	**11,032,400**

The accompanying notes are an integral part of these financial statements.

Statement of Comprehensive Income

for the period ended 31 December
(Amounts in NOK 1000)

	2022	2021
Profit (loss) for the period	**-2,945**	**1,453,866**
Other comprehensive income **Items that may be reclassified to profit or loss**		
Translation differences of foreign operations	-	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	**-2,945**	**1,453,866**

Statement of financial position

Oslo, 27 April 2023

The Board of Directors at LINK Mobility Group Holding ASA

Andre Alexander Christensen
Chairman of the board

Grethe Helene Viksaas
Board member

Jens Rugseth
Board member

Sara Katarina Murby Forste
Board member

Robert Joseph Nicewicz Jr
Board member

Sabrina Emma Gosman
Board member

Thomas Martin Berge
Chief Executive Officer

Statement of Changes in Equity

for the period ended 31 December 2021
(Amounts in NOK 1000)

	Note	Share capital	Share premium	Retained earnings (accumulated losses)	Total equity equity
Balance at 01 January 2021		**1,355**	**4,906,672**	**28,701**	**4,936,728**
Profit for the period		-	-	1,453,866	1,453,866
Other comprehensive income (loss) for the year, net of income tax		-	-	-	-
Total comprehensive income for the year		**-**	**-**	**1,453,866**	**1,453,866**
Issue of ordinary shares		117	785,339	-	785,455
Share based payment		-	134,505	-	134,505
Balance at 31 December 2021	**9**	**1,471**	**5,826,515**	**1,482,567**	**7,310,554**
Balance at 01 January 2022		**1,471**	**5,826,515**	**1,482,567**	**7,310,554**
Profit for the year		-	-	-2,945	-2,945
Other comprehensive income (loss) for the year, net of income tax		-	-	-	-
Total comprehensive income for the year		**-**	**-**	**-2,945**	**-2,945**
Issue of ordinary shares		8	6,282	-	6,289
Share based payment		-	47,833	-	47,833
Balance at 31 December 2022	**9**	**1,479**	**5,880,630**	**1,479,622**	**7,361,731**

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

for the period ended 31 December 2022
(Amounts in NOK 1000)

	Note	2022	2021
Cash flows from operating activities			
Profit before income tax		-1,802	1,458,883
Adjustments for:			
Finance income (expense)		-3,304	-123,384
Change in trade and other payables	10, 13	8	-7,283
Change in other provisions		262	-125
Net cash flows from operating activities		**-4,836**	**1,328,091**
Cash flows from investing activities			
Net cash outflow, capital increase subsidiary	5	-	-944,660
Net cash inflow (outflow), loan to subsidiaries		59,390	-2,717,473
Net cash flows from investing activities		**59,390**	**-3,662,133**
Cash flows from financing activities			
Proceeds on issue of shares	9	6,289	785,455
Repayment of equity		-	-
Proceeds from borrowings		-	1,670,117
Repayment of borrowings		-70,501	-
Interest paid		-133,960	-94,781
Net cash flows from financing activities		**-198,172**	**2,360,791**
Net change in bank deposits, cash and equivalents		-143,618	26,749
Effect of foreign exchange rate changes		18,728	-9,299
Cash and equivalents at beginning of period		139,684	122,234
Cash and equivalents at end of the period		**14,794**	**139,684**

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements for the period ended 31 December 2022

1 General information
2 Adoption of new and revised International Financial Reporting Standards (IFRSs)
3 Summary of significant accounting policies
4 Critical accounting judgments and key sources of estimation variances
5 Investment in subsidiaries
6 Other operating expenses
7 Net finance income and expenses
8 Cash and cash equivalents
9 Share capital and shareholder information
10 Classes and categories of financial instruments
11 Interest-bearing liabilities
12 Financial instruments, risk management objectives, and policies
13 Trade and other payables
14 Income tax
15 Contingencies and legal claims

Note 1 General information

LINK Mobility Group Holding ASA is the parent company of LINK Mobility Group AS, and is headhquartered in Oslo, Norway. LINK is Europe's leading provider of mobile and CPaaS solutions specializing in messaging, digital services and intelligent data usage.

The Company's subsidiary as at 31 December 2022 is listed below.

Name of entity	Date of acquisition	Place of business / country of registration	Ownership interest
LINK Mobility Group AS	12/6/2021	Oslo, Norway	100%

Note 2 Adoption of new and revised International Financial Reporting Standards (IFRS)

A number of amended IFRS standards issued by the International Accounting Standards Board (IASB) and IFRS interpretations issued by the IFRS Interpretations Committee (IFRS IC) are effective for accounting periods commencing on or after 01 January 2022. The requirements arising from revised IFRSs or IFRIC interpretations are embedded in the recognition, measurement and disclosures relevant to the consolidated financial statements of the Group from the date of establishment. The accounting policies adopted are described in Note 3 Summary of significant accounting policies.

Standards and interpretations affecting amounts reported in the current period

The accounting policies adopted, and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below. The adoption of the following standards and interpretations has not had any material impact on the disclosures or on the amounts reported in these financial statements:

- Amendment to IFRS 16 to clarify how a seller-lessee subsequently measures sale and leaseback transactions
- Amendments to IAS 8 regarding the definition of accounting estimates
- Amendments to IAS 12 regarding defferred tax on leases and decommissioning obligations

As at the date of authorisation of these financial statements, Standards and Interpretations had been issued by the IASB but were not effective for the financial year ended 31 December 2022. At the date of these financial statements, it is not foreseeable that these changes will not have a material impact on the financial reporting for the Group.

New or amended standards that have effective date on 01 January 2024 or later have not been assessed if these will have any impact on LINK Mobility Groups financial statements in the period of initial application. Management will continue to follow the development of changes to Standards and Interpretations issued by the IASB throughout 2023.

Note 3 Summary of significant accounting policies

3.1 General information

LINK Mobility Group Holding ASA ("the Company") is a limited liability Company incorporated and domiciled in Norway. The address of the registered office is Universitetsgata 2, 0164 Oslo, Norway. LINK Mobility Group Holding ASA is the parent company of the LINK Mobility Group AS. LINK Mobility Group AS provides services in mobile communication and specialises in mobile messaging services, mobile solutions, and mobile intelligence. LINK Mobility Group Holding ASA and its subsidiaries are regarded as “the Group”.

These financial statements were approved for issue by the Board of Directors on date 28 April 2023. Minor rounding differences may be present, and the total may deviate from the total of the individual amounts. This is due to the rounding of whole figures to thousands for presentation purposes.

3.2 Basis for preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Group's accounting policies. Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the financial statements are disclosed in Note 4 Critical accounting judgements and key sources of estimation variances. The financial statements have been prepared on a going-concern basis.

The presentation currency of the financial statement is Norwegian kroner (NOK). Amounts are rounded to nearest thousand, unless otherwise stated.

3.3 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, which are entities controlled by the Company. Control is achieved when the Group has power over the investee, is exposed, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power to affect its returns through its power over the investee. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control noted above.

The financial statements of the subsidiaries are prepared for the same reporting periods as the parent company and consistent accounting policies are applied. The results of subsidiaries acquired or disposed of during the year are included in the income statement from the date when control is obtained and until control ceases, respectively. Intercompany transactions, balances, revenues, expenses and unrealised Group internal gains or losses are eliminated on consolidation.

The presentation currency of the financial statement is Norwegian kroner (NOK). Amounts are rounded to nearest thousand, unless otherwise stated.

3.4 Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred and all the identifiable assets and liabilities of acquired entities are, with limited exceptions measured at fair values at the date of acquisition. Acquisition-related costs are recognised in the income statement as incurred.

Goodwill arising from an acquisition is recognised as an asset measured as the excess of the sum of the consideration transferred, the fair value of any previous held equity interest and the amount of any non-controlling interest in the investee over the net amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group’s interest in the net fair value of the investee’s identifiable assets, liabilities and contingent liabilities exceeds the total consideration of the business combination, the excess is immediately recognised in the income statement. Goodwill is allocated to each of the Group’s cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

When the consideration transferred by the Company in a business combination includes contingent consideration arrangements, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments recognised in goodwill. Measurement period adjustments arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

3.5 Current/non-current classification

An asset is classified as current when it is expected to be realised, or is intended for sale or consumption, in the Company's normal operating cycle, it is expected/due to be realised or settled within next twelve month after the reporting date. Other assets are classified as non-current. A liability is classified as current when it is expected to be settled in the Company's normal operating cycle, the liability is due to be settled within twelve months after the reporting period or if the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

3.6 Revenue recognition

Revenues are recognised when services are rendered and measured based on the consideration to which the Company expects to be entitled in a contract with a customer net of discounts and sales related taxes. The Company recognises revenue when it transfers control of a product or service to a customer.

When another party is involved in providing goods or services to a customer, the Company evaluates whether it has an obligation to provide the specified service itself (i.e. the Company is the principle) or to arrange for those services to be provided by the other party (i.e. the Company is the agent). Where the Company does not control the service, the Company is considered an agent in the transaction.

Revenues primarily comprise sale of services that enable customers to communicate by mobile phone with their customers. To be able to render these services, the Company needs to obtain services from one or more telecommunication operators. Cost incurred that are directly related to fulfilling a specified contract with a customer are regarded as a contract fulfilment cost and are expensed in the period in which the related revenue is recognised.

The services rendered are split into the following groups:

Type of service	Timing of recognition	Measurement of revenue
Mobile messaging transactions	The Group provides mobile messaging services via SMS and other messaging channels such as Apps, Facebook, Messenger, WhatsApp and email. Revenue from messaging is recognised when the message service has been provided; when the messages are delivered to the recipient.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Payment services	The Group offers payment solutions where the customer can get their customers (the end users) to pay for services by charging their mobile phone account or credit/debit card. As payment for these services, the Group is entitled to remuneration related to the processed transactions/payment. Revenue is recognised when the payment service is rendered.	The Group acts as an agent for this type of service and the performance obligation is to arrange for the provision of services by another party. Consequently, only the income from the processed transactions is recognised as revenue.
Licences	License revenue consists of revenue from monthly fees paid by customers for access to Group platforms and solutions. No proprietary rights are transferred to the customer. The revenue is recognised throughout the duration of the license agreement.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Consulting services	Revenue from consulting services is recognised in the accounting period during which the services are rendered.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.

3.7 Foreign currency translation

The consolidated financial statements are presented in NOK, which is theCompany's functional currency. In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the balance sheet date. Non-monetary items carried at fair value in foreign currencies are translated using the exchange rate at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated after the transaction date.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement as financial items. All other foreign exchange gains and losses are presented on a net basis in the income statement as other operating expenses. Exchange differences are recognised in the income statement in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated to NOK at exchange rates on the reporting date. Income and expense items are translated to NOK at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are considered as assets and liabilities of the foreign entity and translated at the closing rate. These exchange differences are recognised in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation), or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the foreign operation are reclassified to the income statement. In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss.

3.8 Intangible assets

Goodwill and intangible assets acquired in a business combination are recognised initially as set out in 3.4 Business Combinations above.

Amortisation of intangible assets are based on the following estimated useful lives:

Goodwill	Indefinite
Tradename	25 year
Customer relations/contracts	7-10
Technology	3-10 years

Goodwill is not amortised but is reviewed for impairment at least annually, or more frequently when there is an indication that the cash-generating unit to which goodwill has been allocated, may be impaired. Goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the gain or loss on disposal in the income statement.

Intangible assets acquired in a business combination and recognised separately from goodwill, such as Tradename and Customer relations are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Separately acquired intangible assets

Intangible assets with finite useful lives such as Technology, that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Subsequent to initial recognition, separately acquired intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

Internally generated intangible assets – Technology

Expenditure on research and development activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development of the Company's technical platforms and products is recognised if, and only if, all the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditures are expensed as incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

3.9 Equipment and fixtures

Equipment and fixtures are initially recognised at cost, which includes the purchase price (including duties and non-refundable purchase taxes) and any directly attributable costs of bringing the asset to the location and condition necessary for it to be able to operate in the intended manner. Equipment and fixtures are subsequently recognised at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised using the straight-line method to reduce the cost of assets less their residual values over their useful lives. Depreciation commences when the assets are ready for their intended use.

Estimated useful life, depreciation method and residual values are reviewed at least annually. The straight-line depreciation method is used as this best reflects the consumption of the assets, which often is the passage of time. Residual value is estimated to be zero for all assets.

Repair and maintenance are expensed as incurred. If new parts are capitalised, replaced parts are derecognised and any remaining net carrying amount is recognised in operating profit (loss) as loss on disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of equipment and fixtures is determined as the difference between the sales proceeds and the carrying amount of the asset and is presented as other income or other expenses in the income statement.

3.10 Impairment of non-financial assets

At each reporting date, the Company reviews if there are any indicators that the carrying amounts of its tangible and intangible assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

3.11 Leases

The Company initially applied IFRS 16 from 01 January 2019; IFRS 16 was applied using the modified retrospective approach. At the inception of a contract, the company 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. The lease liability is recognized at the commencement date and measured at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate at the commencement date. The lessee's incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value of the right-of-use asset in a similar economic environment.

The Company has chosen to measure the Right-of-Use asset (RoU assets) at an amount equal to the lease liability for all leases by using the lessee's incremental borrowing rate; the rate may differ from country to country. RoU assets are depreciated over the lease term as this is ordinarily shorter than the useful life of the assets. The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the company is reasonably certain to exercise this option. The Company applies the exemption for short term leases (12 months or less) and low value leases. As such, related lease payments are not recognized in the balance sheet but expensed or capitalized in line with the accounting treatment for other non-lease expenses. The inclusion of non-lease components may vary across different lease categories.

3.12 Government grants

The Company receives Government grant as part of the "Skattefunn" arrangement in Norway, which is an arrangement to stimulate research and development in Norway. The government grant is initially recognised as a deduction to the carrying amount of the relevant asset. The amount is subsequently recognised to the income statement on a straight-line basis over the estimated useful life of the related asset.

3.13 Financial Instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. The Company has classified the financial instruments into the following categories of financial assets and liabilities: Financial assets and liabilities at fair value through profit and loss (FVTPL), financial assets at amortised cost (FAAC), financial assets at fair value through other comprehensive income (FVTOCI) and Financial liability at cost (FLAC). Currently the Company does not have any assets in the classification of FVTOCI.

The categorisation of financial instruments (financial assets and liabilities) for measurement purposes is based on the nature and purpose of the financial instrument and is determined on initial recognition. The Company presents financial assets and liabilities in the following classes: trade and other receivables (FAAC), cash and cash equivalents, trade and other payables (FLAC), and borrowings (FLAC).

Trade receivables and other current and non-current financial assets
The financial assets held by the Company, primarily trade and other receivables, are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances. The impairment model in IFRS 9 Financial Instruments requires the recognition of impairment provisions based on expected credit losses (ECL). The Company recognises an allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition. The impairment is calculated by taking into account the historic evidence of the level of credit losses experienced and the ageing profile of the trade receivables. Individual trade receivables are impaired when management assesses them not to be wholly or partially collectible.

Cash and cash equivalents
Cash and cash equivalents include cash, bank deposits and commercial papers with original maturities of three months or less.

Financial liabilities
Trade and other payables include trade payables and other current and non-current, non-interest-bearing financial liabilities. Borrowings (non-current and current) include bank loans and overdrafts. These liabilities are initially recognised in the statement of financial position at fair value (net of any transaction costs), and subsequently measured at amortised cost using the effective interest rate method.

The effective interest method calculates the amortised cost of a financial liability and the allocation of interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments, including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts, through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised, and the consideration paid and payable is recognised in profit or loss.

3.14 Cash flow

The Company presents the statement of cash flows using the indirect method. Cash inflows and outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash line items. Interest received and paid, and dividends received, are reported as a part of operating activities. Dividends distributed are included as a part of financing activities. Value Added Tax and other similar taxes are regarded as collection of tax on behalf of authorities.

3.15 Employee benefits

The Company operates a defined contribution plan (DCP) for post-retirement benefits. A defined contribution plan is a pension plan under which the Company pays fixed contributions to a separate entity (insurance company). The Company has no legal or constructive obligations to pay further contributions to the pension plan for benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.16 Taxation

Income tax expense represents the sum of the current and deferred income tax. The income tax expense is recognised in the income statement unless the tax effect relates to items recognised in other comprehensive income or directly in equity, in which case the tax effect is recognised in other comprehensive income or in equity, respectively.

Current tax is the expected tax expense on the taxable income for the year, using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits. Deferred tax is not recognised for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits, nor for differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that the future taxable profits will be available against which the temporary differences, tax losses carried forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be realised.

Tax positions are regularly reviewed to identify situations where it is not probable that the relevant tax authorities will accept the treatment used in the tax filings. Uncertain tax positions are considered independently or as a group, depending on which approach better predicts re resolution of uncertainty. If the Company concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the effect of uncertainty is reflected when determining tax treatment. This is done by using either the most likely amount or the expected value, depending on which method better predicts the outcome of the uncertainty. Uncertain tax treatment can affect both current tax and deferred tax.

Current tax assets and current tax liabilities are offset when the legal right to offset exists and the Company intends to either settle the tax assets and the tax liability net or recover the asset and settle the liability simultaneously. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax liability is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred tax is recognized based on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Note 4 Critical accounting judgements and key sources of estimation variances

In the application of the Company's accounting policies, as described in note 3 (summary of significant accounting policies), management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Estimates and judgments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant. Future events may cause these estimates to change and actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates are recognised in the period when the changes occurred, if they apply to that period. If the changes also apply to future periods, the effect will be distributed between the current period and future periods.

Investment in subsidiaries

Subsidiaries are valued at cost. If actual value is below cost value and this continues over time, the investment in subsidiaries will be impaired. Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends or group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and is recognized as a reduction in carrying value of the investment.

Deferred tax assets

Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognized. The Company is also subject to income taxes in various jurisdictions. Judgment is required in determining the Company's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liability and expense in the period in which such determination is made.

Purchase price of subsidiaries – earn-out

Periodically, the Company acquires subsidiaries where the preliminary purchase price is based on an assumption that the acquired company will achieve a target EBITDA for the current financial year. The final purchase price is subject to an upwards or downwards earn-out adjustment based on the company's actual achieved EBITDA. The earn-out adjustment is accounted for in the income statement as finance income or expense.

Note 5 Investment in subsidiaries

On 06 December 2021, LINK Mobility Pecunia AS was officially merged with LINK Mobility Group AS. As a result of this merger, LINK Mobility Group AS is the immediate subsidiary of LINK Mobility Group Holding ASA.

The Company has the following investment in a subsidiary:

Acquisitions during the period:

Entity	Country	Industry	Date of acquisition	Proportion of voting equity acquired
LINK Mobility Group AS	Norway	Mobile messaging services and solutions	06 December 2021	100%

LINK Mobility Group AS provides mobile communication services and specializes in messaging, digital services and data intelligence. 100% of the voting equity interest of the company was acquired on 06 December 2021 when LINK Mobility Pecunia AS was merged with LINK Mobility Group AS.

The total amortized cost as of 31 December 2022:

(Amounts in NOK 1 000)	LINK Mobility Group AS
Total amortized cost (01.01)	7,978,341
Employee share options in subsidiary	47,833
Total amortized cost (31.12)	**8,026,174**

Note 6 Other operating expenses

(Amounts in NOK 1000)

	2022	2021
Advisors and consultants	952	2,557
Stock exchange listing expenses[1]	2,590	2,560
Insurance premiums[2]	1,422	288
Other expenses[3]	143	322
Total other operating expenses	**5,106**	**5,727**

[1] These costs are representative of stock exchange listing fees, registration fees for increases in share capital, management of insider logs, and share register analysis.
[2] Insurance premiums includes the cost of insurance brokerage services in addition to insurance policy covers.
[3] Other expenses are representative of license fees, insurance related to merger and acquisition activities, and external accounting services.

Auditor's fees
The table below summarises audit fees for 2022 (2021) and fees for audit related services, tax services and other services incurred by the Company during the period.

	2022	2021
Audit fee	710	375
Other attestation services	-	-
Tax consulting services	-	-
Other services*	-	-
Total fee to auditor	**710**	**375**

Note 7 Net finance income and expenses

(Amounts in NOK 1000)

The Group's finance income and expense is comprised of gains (losses) from foreign exchange and from exposure to interest expenses related to loans from financial institutions. Interest amounts are presented as a sum of interest on borrowings offset by amortised cost recognised in the profit and loss.

All categories of financial income and expense are presented on a net basis.

Net financial income and expenses	**2022**	**2021**
Net currency exchange gains (losses)[1]	44,385	168,532
Net interest expense	-24,943	-35,837
Net other financial expense	-16,138	1,331,915
Total finance income	**3,304**	**1,464,610**

Net interest expense	**2022**	**2021**
Interest expense financial institutions	-128,466	-100,724
Interest expense - seller’s credit	-1,944	-1,876
Other interest income (expense)	467	-1,037
Interest income from related parties	105,000	67,800
Total net interest expense	-24,943	-35,837

Net other financial expenses	**2022**	**2021**
Amortized loan set-up costs	-16,180	-9,186
Dividend from related parties[2]	-	1,341,726
Earn-out payment from M&A transactions	-	-
Other financial (expenses) income	42	-625
Total net other financial expenses	-16,138	1,331,915

[1] Foreign currency gain/loss is presented on a net basis here and in the Statement of Profit and Loss. Exposure to fluctuations in foreign currency comes from external lending denominated in EUR. Refer to note 11 (interest-bearing liabilities) and note 12 (financial instruments, risk management objectives, and policies) for further details.

[2] In 2021, dividends were declared in each of BK Invest GmbH, Simple SMS GmbH, LINK Mobility SAS, LINK Mobility AB, GfMB mbh, and LINK Mobility Holding ApS. These amounts also comprise part of long-term receivables - intercompany; they are adjusted for fluctuations in foreign currency as well as interest.

Long-term receivables are also comprised of loans established and related to previous acquisitions. This includes the purchase of Message Broadcast LLC (USA) and Altiria TIC Sociedad Limitada (Spain).

Note 8 Cash and cash equivalents

(Amounts in NOK 1000)

	2022	2021
Cash and cash equivalents	14,794	139,684
Total cash and cash equivalents	**14,794**	**139,684**

Restricted cash	2022	2021
Restricted cash	-	-
Bank balance in escrow account	-	-
Total cash and cash equivalents	**14,794**	**139,684**

If applicable, cash and cash equivalents include amounts classified as restricted cash. There are no restricted amounts as at 31 December 2022.

Note 9 Share capital and shareholder information

Share capital as at 31 December 2022 is KNOK 1 479 (2021: KNOK 1 471), being 295 890 306 ordinary shares (2021: 294 252 254 ordinary shares) at a nominal value of NOK 0.005/share (2021: NOK 0.005/share). There are no preference shares in FY2022 (FY2021: nil).

All shares were fully paid; each ordinary share carries one vote at any general meeting.

The movement in the number of shares during the year was as follows:

	2022	2021
Ordinary shares opening balance 2021/2020	294,252,254	270,911,039
Issue of ordinary shares (11 March 2021)		1,226,637
Issue of ordinary shares (31 March 2021)		1,687,589
Issue of ordinary shares (31 May 2021)		1,723,310
Issue of ordinary shares (07 June 2021)		16,755,069
Issue of ordinary shares (24 June 2021)		1,235,424
Issue of ordinary shares (14 December 2021)		713,186
Issue of ordinary shares (07 July 2022)	588,127	
Issue of ordinary shares (14 November 2022)	929,457	
Issue of ordinary shares (24 November 2022)	120,468	
Ordinary shares at the end of the period	295,890,306	294,252,254
Total number of shares at the end of the period	295,890,306	294,252,254

LINK Mobility Group Holding ASA has the following major shareholders as at 31 December 2022:

Name of shareholder	Type of account	Ownership interest
Citibank, N.A.	Nominee	31.65%
State Street Bank and Trust Comp	Nominee	7.68%
KARBON INVEST AS	Ordinary	5.39%
Citibank, N.A.	Nominee	4.53%
FOLKETRYGDFONDET	Ordinary	4.28%
The Bank of New York Mellon SA/NV	Nominee	3.34%
Danske Bank A/S	Nominee	3.23%
FERD AS	Ordinary	2.49%
SKANDINAVISKA ENSKILDA BANKEN AB	Ordinary	1.78%
The Bank of New York Mellon	Nominee	1.44%
VERDIPAPIRFONDET FIRST GENERATOR	Ordinary	1.32%
Saxo Bank A/S	Nominee	1.31%
NORDEA BANK ABP	Broker	1.20%
BARCLAYS CAPITAL SEC. LTD FIRM	Ordinary	1.17%
DEFA ENDEAVOUR AS	Ordinary	1.16%
Citibank, N.A.	Nominee	1.13%
J.P. Morgan SE	Nominee	1.09%
The Bank of New York Mellon SA/NV	Nominee	0.85%
VERDIPAPIRFONDET DELPHI NORDIC	Ordinary	0.85%
The Bank of New York Mellon SA/NV	Nominee	0.84%
		76.74%

The company's trustees (Board Members, management) hold ownership interests and rights to shares:

Name of shareholder	Total number of shares
Victory Partners VIII Limited via a nominee account in Citibank (controlled by Abry who have 1 Board member)	93,612,321
Karbon Invest AS (controlled by Jens Rugseth)	15,945,105
Sundahl Aps (controlled by Consultant GLT - Søren Sundahl)	9,586,565
Rugz AS (controlled by Jens Rugseth)	500,000
Thomas Berge	331,122
Ina Rasmussen	51,213
Benoit Bole	50,000
Hendrik Faasch	47,719
Lin Ackema	29,460
Morten Løken Edvardsen	6,595
Grethe Helene Viksaas (Board member)	6,382

Note 10 Classes and categories of financial instruments

(Amounts in NOK 1000)

	Carrying value	
2022	**Amortised cost**	**Total**
Current financial assets		
Cash and cash equivalents	14,794	**14,794**
Non-current financial liabilities		
Borrowings	3,837,096	**3,837,096**
Current liabilities		
Borrowings	5,470	**5,470**
Trade payables	378	**378**

The financial assets held by the Company are held within a business model with the objective to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances.

All financial liabilities are measured at amortized cost.

The carrying amounts of financial assets and liabilities approximate their fair value as at 31 December 2022. Arrangements with financial institutions are entered into on market terms, and the carrying value at the reporting date has been assessed as approximating fair value.

The recognised amounts consitute a reasonable approximation of fair value.

Note 11 Interest-bearing liabilities

(Amounts in NOK 1000)

Interest bearing liabilities are measured at amortised cost.

Non-current financial liabilities	**2022**	**2021**
Bond loan	3,837,096	3,629,772
Holdback	-	66,538
Total	**3,837,096**	**3,696,310**

Current liabilities	**2022**	**2021**
Bond loan*	5,470	6,980
Total	**5,470**	**6,980**

*Instalments falling due within a 12 month period, including non-capitalised interest, are classified as current.

Contractual maturities of financial liabilities at 31 December 2022	**< 3 months**	**3 months - 1 year**	**1 - 2 years**	**2 - 5 years**	**Total**
Bond loan (tap issue 15.12.2020)	-	70,968	70,968	2,173,728	2,315,664
Bond loan (tap issue 23.06.2021)	-	60,323	60,323	1,847,669	1,968,315
Total	**-**	**131,291**	**131,291**	**4,021,397**	**4,283,979**

Contractual maturities of financial liabilities at 31 December 2021	**< 3 months**	**3 months - 1 year**	**1 - 2 years**	**2 - 5 years**	**Total**
Bond loan (tap issue 15.12.2020)	-	67,424	67,424	2,166,321	2,301,170
Bond loan (tap issue 23.06.2021)		57,311	57,311	1,841,373	1,955,994
Total	**-**	**124,735**	**124,735**	**4,007,694**	**4,257,164**

The book value of borrowings is estimated to approximate their fair value.

	2022	**2021**
Principal amount (tap issue 15.12.2020)	2,102,883	1,998,768
Principal amount (tap issue 23.06.2021)	1,786,041	1,699,011
Transaction costs (tap issue 15.12.2020)[1]	-21,228	-21,228
Transaction costs (tap issue 23.06.2021)[1]	-56,127	-56,127
Amortization (tap issue 15.12.2020)	8,215	4,118
Amortization (tap issue 23.06.2021)	17,313	5,231
Accrued interest and fees	5,470	6,980
Carrying amount	**3,842,567**	**3,636,753**

[1] The bond loan is initially measured at fair value net of transaction costs and it is subsequently measured at amortized cost using the effective interest rate method. Consequently, the transaction cost will be amortized over the life of the bond loan. The carrying value of the bond loan will be equal to the principal amount of EUR 370 million at maturity in FY2025.

Collateral and guarantees

On 15 December 2020, LINK Mobility Group Holding ASA (LINK) successfully completed the issuance of EUR 200 million senior unsecured bonds, with a EUR 350 million borrowing limit. Part of the proceeds from the bond issue were used to repay the remaining outstanding senior facility agreement (SFA).

On 23 June 2021, LINK issued EUR 170 million new bonds in LINK's outstanding 5-year senior unsecured 3.375% fixed rate bond issue, raising the total outstanding amount to EUR 370 million. The bonds were issued at par.

The bonds have a 5-year tenor and a fixed coupon of 3.375% p.a.; any outstanding bonds are to be repaid in full at the maturity date.

Note 12 Financial instruments, risk management objectives, and policies

Through its operations LINK Mobility Group Holding ASA is exposed to the the following financial risks;

- Interest rate risk
- Foreign exchange risk
- Credit risk
- Liquidity risk

Interest rate risk

Interest rate risk arises as a consequence of long-term debt. In December 2020 the Company successfully completed the issuance of EUR 200 million senior unsecured bonds, with a EUR 350 million borrowing limit.

On 23 June 2021, LINK issued EUR 170 million new bonds in LINK's outstanding 5-year senior unsecured 3.375% fixed rate bond issue, raising the total outstanding amount to EUR 370 million. The bonds were issued at par; refer to note 11 for further details."

The sensitivity analysis below is based on the exposure to changes in interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount outstanding at reporting date was outstanding for the whole year. A one percent increase or decrease represents management's assessment of reasonable and possible changes in interest rates.

If interest rates had been one percent higher/lower and all other variables were held constant, the Company's profit (and corresponding equity) for the period ended 31 December 2022 would decrease/ increase by KNOK 38 901 (FY2021 KNOK 36 959). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Foreign exchange risk

The Company is a holding company and does not actively undertake business in foreign currencies; as a consequence, exposure to fluctuations in exchange rates is limited. Foreign exchange risk arises from transactions related to operations conducted, and assets and liabilities arising in foreign currencies.

			31 December 2022
(amounts in NOK 1000)	NOK/EUR impact	NOK/SEK impact	NOK/CHF impact
Borrowings	38,901	-	-

Credit Risk

The Company is a holding company and owns all shares in LINK Mobility Group AS; credit risk is deemed to be low.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations when they mature, resulting in default.

The Company considers its liquidity risk to be limited, and has sufficient liquidity available on bank accounts as of year-end. Obligations are covered by transfer of cash from subisidiaries.

The Company has financial debt covenants related to the senior unsecured bonds. Refer to note 11 for information about the bond convenants.

The Company does not have any credit facilities.

Note 13 Trade and other payables

(Amounts in NOK 1000)

Trade and other payables	2022	2021
Trade payables	378	289
VAT payable	40	25
Other accruals	-	96
Total trade and other payables	**418**	**410**

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Trade and other payables are due within three months.

Note 14 Income tax

(Amounts in NOK 1000)

Specification of income tax expense
The tax benefit/(expense) is calculated based on profit before income tax and consists of current tax and deferred tax.

	2022	2021
Deferred tax expense (income)	1,143	5,017
Current tax expense	-	-
Income tax (income)	1,143	5,017

Income tax payable (balance sheet)	2022	2021
Income tax payable	-	-
Current tax liabilities (balance sheet)	-	-

Effective Tax Rate
The difference between income tax calculated at the applicable income tax rate and the income tax exepense attributable to loss before income tax was as follows:

	2022	2021
Profit/(loss) before income tax	-1,802	1,458,883
Statutory income tax rate*	22%	22%
Expected income tax benefit	-396	320,954
Tax effect on non-taxable income/expenses		-312,583
Effect of changes in tax rules and rates*		-
Prior year adjustment		-725
Non deductible interest, interest cap rules	1,539	14,864
Current tax expense, interest cap rules		-
Change in deferred tax asset not recognized		-17,493
Income tax expense/income (-) for the year	1,143	5,017
Effective tax rate	-63%	0%

* The statutory income tax rate based on the currently enacted tax rate in Norway.

Specification of the tax effect of temporary differences and losses carried forward

Tax losses carried forward

	2022	2021
Unused tax loss carry forward	-	-
Interest cap	69,441	69,441
Potential tax benefit unused tax losses @ 22 %	-	-
Potential tax benefit interest cap @ 22 %	15,277	15,277

Deferred tax assets related to tax losses have not been recognised as it is deemed unlikely that the company will generate taxable income in the foreseeable future. The tax loss can be carried forward indefintiely.

The benefit from the interest cap carried forward is uncertain and the tax asset is not recognised. The amount can be carried forward for 10 years.

Tax effect of temporary differences and tax losses carried forward as of 31 December

Deferred tax liabilities:	**2022**	**2021**
Long term receivables and debt in foreign currency	41,415	35,031
Other provisions	3,553	4,898
Tax loss to carry forward (-)	-28,019	-24,124
Deferred tax liabilities	**16,948**	**15,806**

Unrecognised temporary differences

	2022	**2021**
Temporary differences for which deferred tax liabilities have not been recognised	-	-
Unrecognised tax liabilities relating to the above temporary differences @ 22 %	-	-

The temporary differences are related to unrealized gains from currency translation. Deferred tax liability has not been recognised as it is deemed unlikely that the company will generate taxable income in the foreseeable future.

Note 15 Contingencies and legal claims

The Company is not involved in any disputes or litigation as at the balance sheet date or as at the date these financial statements are approved, that would lead to the recognition of a liability or require additional disclosure. Management and the Board of Directors are not aware of any such incidents that may have a negative impact on the Company.

To the General Meeting of LINK Mobility Group Holding ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of LINK Mobility Group Holding ASA, which comprise:

- the financial statements of the parent company LINK Mobility Group Holding ASA (the Company), which comprise the statement of financial position as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of LINK Mobility Group Holding ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and 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 International Financial Reporting Standards as adopted by the EU, 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 Audit Committee.

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 4 years from the election by the general meeting of the shareholders on 17 September 2019 for the accounting year 2019.

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. The Company's and the Group's business activities have remained largely unchanged during 2022. *Impairment of Goodwill* has approximately the same risks and characteristics as last year and continues to be in our focus.

Key Audit Matters	How our audit addressed the Key Audit Matter
Impairment of Goodwill	
At the balance sheet date, the net book value of goodwill was NOK 5 788 277 thousand, distributed between different cash generating units (CGU's). The values involved are significant and constitute a major part of total assets in the balance sheet. An impairment charge of NOK 180 360 thousand was recognized in 2022. Management performs an impairment test at least annually by estimating the recoverable amount of goodwill. Determination of the recoverable amount requires application of significant judgment by management, in particular with respect to cash flow forecasts and the applied discount rate. We focused on impairment of goodwill due to the pervasive effect of goodwill in the balance sheet and management's use of judgment in estimating the recoverable amount. See note 13 in the consolidated financial statement for further explanation of management's use of judgment and impairment review.	We obtained an understanding of management's process related to impairment review of goodwill. We also obtained management's impairment review and satisfied ourselves that the impairment review and the valuation model used, contained the elements and methodology required by IFRS. We also tested the impairment model for mathematical accuracy by recalculating the recoverable amount. We challenged management's assumptions on future revenues and margins by comparing them to historical financial data and future budgets approved by management. Further, we assessed the accuracy of management's budgets and forecasts in prior years, by comparing them to actual results. We evaluated the discount rate used by management by reviewing the elements in the calculation of the discount rate against both internal and external information. We found management's impairment assessment reasonable and noted no deviations that would significantly impact the conclusions of the impairment assessment. Finally, we considered the adequacy of Financial Statements disclosure in note 13 and found them appropriate.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. 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 nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. 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.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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 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 and using 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 Audit Committee 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 LINK Mobility Group Holding ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 2549006RH08XJGKC2Y14-2022-12-31-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
For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Oslo, 27 April 2023
PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant