

Interim report

Third quarter 2021

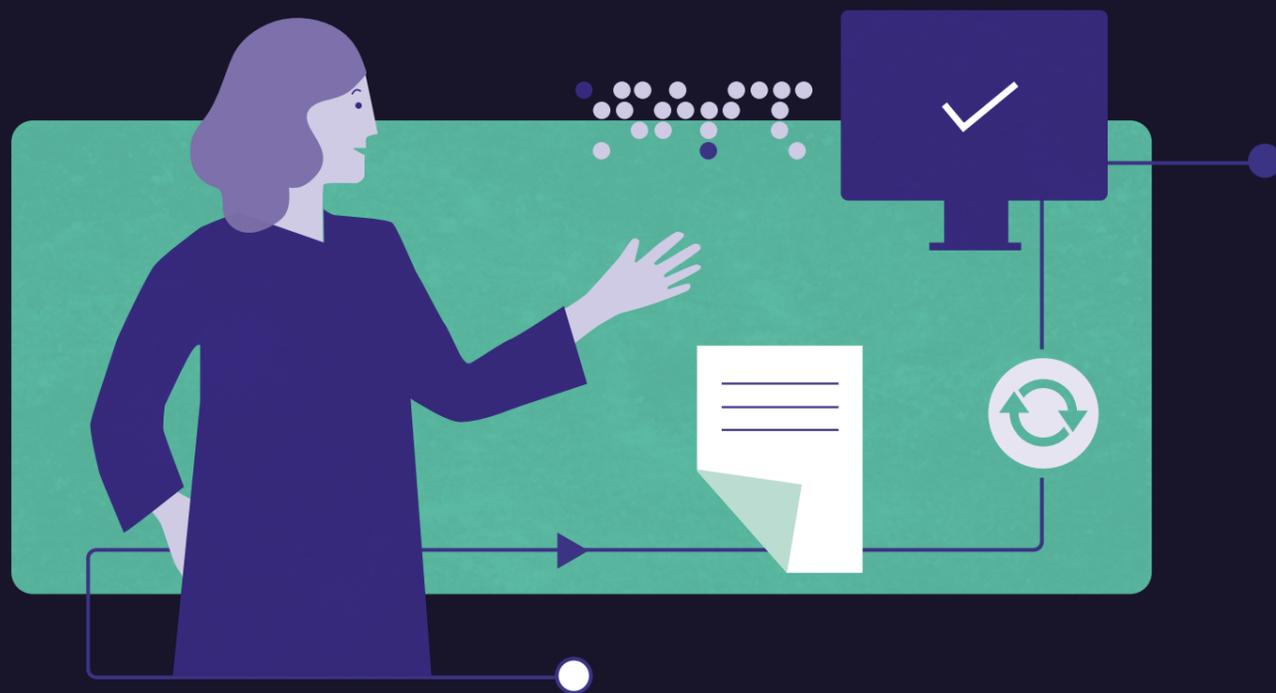
Merzell Holding ASA

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Merzell at a glance

A leading SaaS-platform for public e-tendering



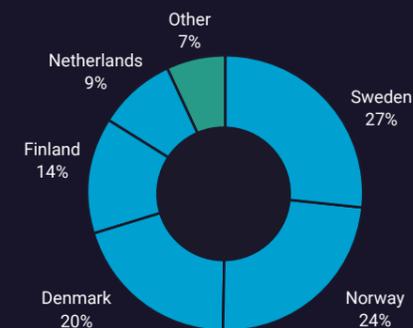
Merzell is a leading marketplace for public eTendering and eProcurement, with a total base of close to 30,000 customers in both the pre-award and post-award markets.

Merzell's unique marketplace simplifies the tender and procurement process and makes it easy and secure for buyers to find relevant suppliers for their tenders and purchasing needs. We also ensure that suppliers find relevant business opportunities and offer tools for digital receipt and handling of purchases from public and private buyers. Merzell delivers services in 15 countries with an aim to become the leading software-as-a-service (SaaS) platform for eTendering and eProcurement in Europe.

- Positioned to be a consolidator in the European eTendering and eProcurement market
- Scalable and profitable business model with proven organic and M&A growth ability
- Multiple growth opportunities through new sales and upselling, broadening of the product portfolio, and geographical expansion

We have established a unique market position

- Merzell leading player
- Merzell foothold



ARR split Q3 2021

NOK 792m



Highlights third quarter 2021

Continued ARR and revenue growth

- ARR of NOK 792 million per September, + 134% year-on-year with organic growth of +21%
- Solid underlying ARR growth in Visma Commerce and Cloudia, flat development for Negometrix and post-award
- Reported revenue +142% to NOK 189 million in Q3 and +150% to NOK 507 million in the first nine months
- Adjusted EBITDA of NOK 49.3 million in Q3 (18.4), and NOK 137.4 million in the first nine months (49.4)
- EBITDA of NOK 12.0 million in Q3 (3.6), and EBITDA of NOK 45.3 million in the first nine months (19.4)
- M&A cost and special cost items of NOK 37.3 million in the third quarter, of which NOK 25.7 million with no cash effect.

Focus on platform development and integrating acquisitions

- Strong focus on integrating the acquisitions and development of common Merzell platform
- Gradual launch of new Merzell Source-to-Contract and Merzell Tender Finder
- New Merzell Source-to-Pay post-award solution being introduced in 2022
- Development capex of approximately NOK 165 million in 2021 is set to decline to approximately NOK 130 million in 2022

Ambitious long-term strategy

- Current focus on enabling continued strong and profitable growth in the existing businesses
- Targeting more than doubling of ARR in the existing markets in 2020-2025

Key figures

IFRS accounting standard	Q3 2020	Q3 2021	Δ%	9M 2020	9M 2021	Δ%	2020
Total revenue	77 764	188 559	142%	203 208	507 100	150%	311 906
Operating costs	-59 324	-139 235		-153 769	-369 698		-247 297
M&A cost and special items	-14 881	-37 295		-30 080	-92 145		-88 332
EBITDA	3 558	12 029		19 359	45 257		-23 723
<i>EBITDA-margin</i>	5%	6%		10%	9%		-8%
Adjusted EBITDA	18 440	49 324	167%	49 439	137 402	178%	64 609
<i>Adjusted EBITDA-margin</i>	24%	26%		24%	27%		21%
Depreciation, amortization, impairment	-12 163	-45 745		31 179	142 389		-52 012
Operating profit/loss, EBIT	-8 604	-33 716		-11 820	-97 132		-75 735
Net financial items	-15 844	-20 985		-38 402	-25 937		-78 539
Profit/loss before tax	-24 449	-54 701		-50 222	-123 068		-154 275
Annual recurring revenue, ARR	338	792	134%	338	792	134%	552
No. of supplier customers	15 852	25 586	61%	15 852	25 586	61%	26 623
No. of buyer customers	1 347	3 771	180%	1 347	3 771	180%	2 505

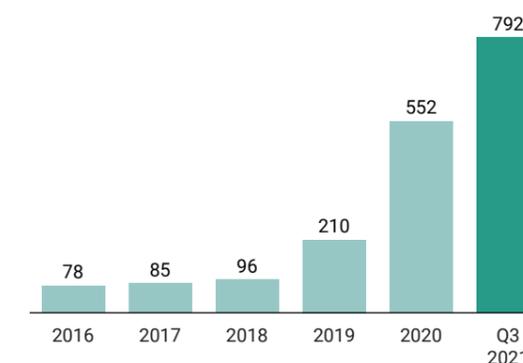
Adjusted EBITDA excludes M&A cost and special cost items. Organic ARR growth excludes ARR acquired at the time of acquisition.

From sourcing to payment (S2P) →

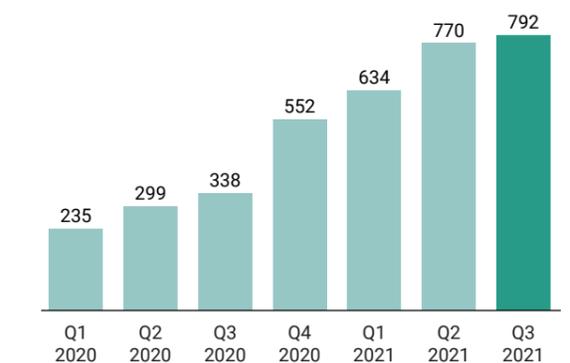
	Pre-award solutions		Post-award solutions
Target group	Buyers	Suppliers	Buyers and suppliers
Core value proposition	Tender process and contract management tools	Customized tender notifications, bid manager and value-added services	Contract management and eProcurement: <ul style="list-style-type: none"> · eCommerce · eCatalogue · Invoice & Payment · Spend analytics
Share of ARR end-Q3 2021	 42%	 46%	 12%

Source: Company data

ARR development annually (NOKm)



ARR development quarterly (NOKm)



Message from the CEO

Focus on synergies from acquisitions and product development

The third quarter showed continued growth in ARR to NOK 792 million and a quarterly revenue of NOK 189 million. Our results continue to be impacted by special cost items but the adjusted EBITDA-margin of 26% in the third quarter was roughly on par with the previous quarters.

I am particularly pleased to see that growth in Merzell Commerce in Sweden has picked up sharply after our acquisition last year, and that Cloudia continues to show the growth trend we saw before we acquired the company in June. Cloudia has historically been focusing only on the buyer-side of the market, and we look forward to developing the supplier-side of the Finnish market.

We have secured leading market positions across the Nordic region and in the Netherlands, through a string of acquisitions over the past few years. As I said last quarter our focus in the second half of 2021 is on integrating all these acquisitions and on our development activities to create a common product platform for Merzell.

We are making good progress with the validation and further development of our new Merzell Source-to-Contract for pre-award buyers, and Merzell Tender Finder for pre-award suppliers. Our ambition is to position our new products as an upgrade for our customers especially from a user experience perspective. We have on an ongoing basis reallocated personnel from our current platforms to our new platforms, and already removed significant maintenance costs from our current platforms. As we gradually

upgrade our customers to these solutions and sunset our old platforms over the coming years, we expect to save additional costs such as server costs on the multiple platforms we operate today. As we transition towards a common platform, we will deliver improved solutions to our customers and do it in a more cost-efficient manner. The upgrade of the first customers has started and the solutions will be rolled-out in volume throughout 2022.

We are also working to develop a new Merzell Procure-to-Pay platform in the post-award market. This will be based on the technology platform of Merzell Tricom in Denmark. We have been working hard to ensure that this solution has the right level of functionality and integrations to the customers' different ERP systems needed, so we can start to upgrade the customers on the Comcare and Aksess Innkjøp platforms. These efforts, and our work to merge four post-award companies into one, has put a damper on growth in this segment in 2021. We know from ongoing tenders that many of our customers are looking to buy post-award solutions and data analytics functionality. We expect growth to pick up when these tenders mature and we come in position to bring the Merzell Procure-to-Pay platform to new geographical markets.



Our vision remains to become the preferred e-tendering and procurement platform in Europe, and we have earlier said that we see many interesting growth opportunities in the European market. We have said that we aim for 15%-20% average annual growth in ARR in our existing markets from 2020-2025, and the transition towards a common platform with new and improved product solutions is crucial to release this growth potential. Our development teams are doing a great job moving these projects forward. We believe that increasing scale and improved efficiency will lead to gradually improved margins towards our 40%+ target level in the years to come.

“The ongoing transition towards a common platform is crucial to release our growth potential”.

*Terje Wibe
CEO, Merzell Holding*

Board of directors report

Operational review

Merzell is a solutions provider for the entire procurement value chain. In the pre-award phase, the company offers a marketplace matching public buyers and suppliers on its e-tendering platforms, with tendering workflow services for buyers and tender notification and bid manager services for suppliers.

The company's products ensure efficient, compliant, and transparent tendering processes, in alignment with EU regulations and national law. Software-as-a-Service licenses account for approximately 96% of Merzell's revenue, with the remainder based on transactions. Approximately 42% of ARR stems from pre-award buyers, 46% from per-award suppliers, and the remaining 12% from post-award customers. The share of pre-award buyer revenue has increased in 2021 with the acquisitions of the buy-side companies Negometrix in the Netherlands and Cloudia in Finland. The post-award e-procurement business was added through a string of acquisitions in 2020, extending the product offering to include solutions for procurement and order management, invoicing, payment and accounting, and spend analytics.

Integration and technology development

Merzell has acquired 12 companies over the last two and a half years. The acquisitions range from large market leaders in the pre-award market - like Visma Commerce in Sweden, Negometrix in the Netherlands, and Cloudia in Finland - to smaller post-award companies and bolt-on acquisitions within different product segments.

Through these acquisitions the company has built an unrivalled market position across the Nordics and become market leader in one of the continental European markets.

The many acquisitions also means that Merzell currently operates and maintains a wide range of different platforms for both buyers and suppliers in both the pre-award and post-award markets. As described in earlier reports, the company is currently investing heavily into product development to move towards a common platform suite with new products and solutions for both buyers and suppliers.

During the third quarter, the first pilot customer in Denmark was onboarded to the new Merzell Source-to-Contract

platform for pre-award buyers. Our approach to customer upgrading is to "nail" the process with a limited set of customers and then scale the upgrading process to larger volumes of customers also in other countries such as Norway and Sweden. We expect to be able to scale the onboarding process in 2022. The new Merzell Source-to-Contract platform will gradually be localized to new countries and enhanced in both functionality and technology foundation. Our ambition is to enable the company to sunset the current pre-award buyer platforms in each local market. The customer upgrade starts with buyer customers that fit the current level of functionality in the Source-to-Contract platform and upgrade customers with more complex functionality needs as we close the functionality gaps.

As the company outlined on its Capital Markets Day in connection with the first quarter report, the development of the supply-side business is expected to be the strongest driver for organic growth in all existing markets in the years to come. The acquisitions of Cloudia in Finland and Negometrix in the Netherlands secured Merzell leading positions in the pre-award buyer market, and this opens an opportunity to develop the pre-award supplier side in these markets. Merzell is currently making its existing supplier solutions in Finland available to suppliers delivering bids through the Cloudia platform. Entry into the supplier market in the Netherlands will await the launch of the new Merzell Tender Finder platform.

Merzell Tender Finder offers greatly improved, 'Google-like' search and filtering solutions, and other 'best-of-breed' advantages that will make it much easier for suppliers to find relevant business opportunities. The solution has been tested with the first customers in Norway with good customer feedback. The company is working to resolve any outstanding technical issues before continuing to upgrade Norwegian customers and subsequently followed by customers in other countries. We expect the solution to be rolled-out in volume through 2022.

Within the post-award segment, the company is working to build a common Merzell Procure-to-Pay solution based on Tricom's technology. The consolidation of the companies has been demanding, and the main focus through 2021 has been to merge the acquired post award companies and prepare the Tricom platform to enable the upgrade of Comcare and Aksess Innkjøp customers to the Tricom solution. The first customers will be upgraded early 2022. Given the higher complexity in the post-award segment the customer upgrade process is expected to take longer than in the pre-award segments. We will follow the same process as in pre award; starting with a select set of pilot customers in order to develop a scalable upgrade process.

Many pre-award buyer customers are showing interest in Merzell's post-award solutions and data analytics functionality, and the company expects cross-sales of the post-award solution to pick up after launch of the new Merzell Procure-to-Pay platform.

ARR development

ARR increased by NOK 22 million in the seasonally slow third quarter, reflecting new sales of NOK 14 million, upselling and price increases of NOK 28 million, and churn and contraction of NOK 16 million. Other/currency affected ARR negatively by NOK 4 million in the third quarter.

In the first nine months ARR increased by NOK 240 million, of which acquisitions added NOK 183 million as measured at the time of acquisition.

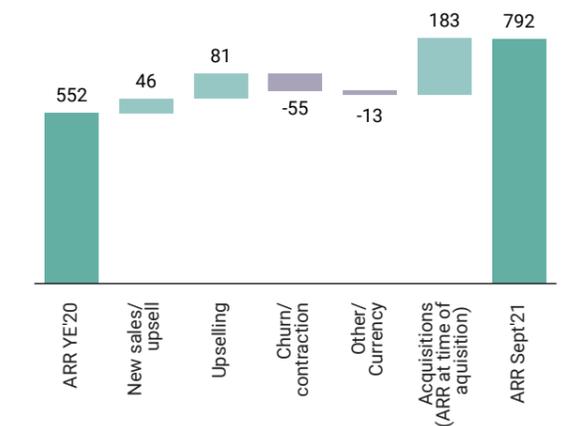
Excluding acquired ARR, the ARR increased by NOK 57 million in the first nine months, reflecting new sales of NOK 14 million, upselling and price increases of NOK 81 million, and churn and contraction of NOK 55 million. Other/currency affected ARR negatively by NOK 13 million in the first nine months, mainly due to the effect of a stronger NOK on the translation of ARR in foreign currencies.

ARR in the pre-award buyer segment increased from NOK 145 million to NOK 331 million in the first nine months, mainly driven by the acquisitions of Negometrix and CTM Solutions in the Netherlands and Cloudia in Finland. Excluding acquired ARR, the ARR for the segment increased by 11% in the first nine months.

ARR in the pre-award suppliers segment increased from NOK 327 million to NOK 366 million in the first nine months, with ARR increasing by 12% excluding acquired ARR. Growth is expected to increase with the establishment of supply-side business in Finland and Netherlands and the introduction of Merzell Tender Finder.

ARR in the post-award segment increased from NOK 79 million to NOK 94 million in the first nine months, supported by the acquisition of Ibistic. Excluding acquired ARR, the ARR for the post-award segment increased by only 4% in the first nine months, reflecting slower than expected production development and lack of implementation capacity. The company expects renewed growth with the introduction of a new post-award offering in 2022.

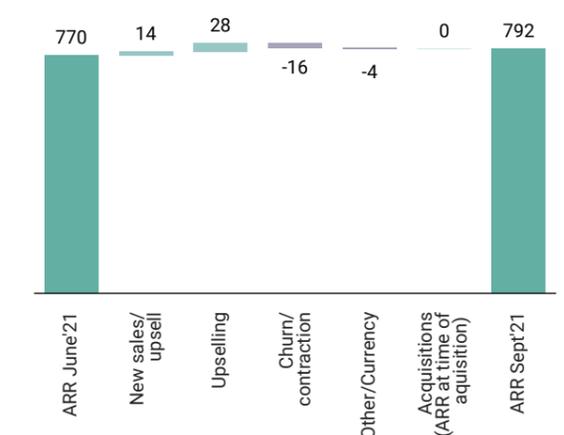
ARR development 9M 2021 (NOKm)



Source: Company data

The net ARR increase of Udbudsvagten has been allocated to upsell

ARR development Q3 2021 (NOKm)



Source: Company data

The net ARR increase of Udbudsvagten has been allocated to upsell

Over the past 12 months, the ARR has increased by NOK 454 million, from NOK 338 million at the end of September 2020 to NOK 792 million at the end of September 2021. NOK 383 million of the increase reflects acquired ARR. Excluding acquired ARR the ARR increased by NOK 64 million or 21% year-on-year.

Overall, the company's ambition is to grow ARR in its existing markets by 15%-20% from 2020 through 2025, although growth in individual quarter and years will depend on the timing of introductions of new product and solutions in the different segments and geographical markets.

Consolidation of customer accounts

At the end of September 2021, Merzell had 3,771 registered buyer-customers and 25,586 supplier customers.

As a result of the many acquisitions over the past years, some of these customers have multiple contracts with Merzell and are registered as customers of two or more of Merzell's subsidiaries. As part of its efforts to improve sales efficiency in its Customer Success teams, Merzell is currently registering all customers with unique ID in its CRM system, with each customer registered with one or multiple contracts.

The ongoing consolidation of customer accounts will have very limited effect on the underlying value of the contracts, although the change to unique customer IDs is expected to lead to a decline in the number of registered customers of approximately 2,000 in the fourth quarter.

The changes almost in entirety relate to supplier customers registered in both Opic and Merzell Tender System (MTS) in Sweden, in MTS, Opic, BizAlert and/or SPS in Norway, and in MTS, Udbudsvagten and SPS in Denmark.

Financial review

Results for the third quarter and first nine months 2021

Merzell showed 142% growth in reported revenue for the third quarter and 150% for the first nine months of 2021, mainly reflecting acquisitions over the past year. The company incurred M&A cost and other special cost items of NOK 37.3 million in the third quarter and NOK 92.1 million in the first nine months 2021, and reported EBITDA was NOK 12.0 million for the quarter and NOK 45.3 million for the first nine months. Adjusted EBITDA – excluding M&A cost and other special cost items of NOK 37.3 million - was NOK 49.3 million in the third quarter and NOK 137.4 million for the first nine months 2021, with adjusted EBITDA-margin of 26% for the quarter and 27% for the first nine months.

Profit and Loss account (IFRS unaudited)

NOK 1 000	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	2019	2020
Total revenue	77 764	108 698	148 241	170 300	188 559	154 251	311 906
Operating costs	-59 324	-90 150	-107 864	-122 597	-139 235	-143 419	-247 297
M&A cost and special items	-14 881	-61 631	-5 004	-49 848	-37 295	-30 230	-88 332
EBITDA	3 558	-43 093	35 373	-2 145	12 029	-19 397	-23 723
EBITDA-margin	5%	-40%	24%	-1%	6%	-13%	-8%
Adjusted EBITDA	18 440	18 538	40 377	47 703	49 324	10 833	64 609
Adjusted EBITDA-margin	24%	17%	27%	28%	26%	7%	21%
Depreciation, amortization, impairment	-12 163	-20 833	-38 143	-58 500	-45 745	-26 449	-52 012
Operating profit/loss, EBIT	-8 604	-63 916	-2 770	-60 645	-33 716	-45 847	-75 735
Net financial items	-15 844	-40 137	59 497	-64 449	-20 985	-15 123	-78 539
Profit/loss before tax	-24 449	-104 053	56 727	-125 094	-54 701	-60 970	-154 275

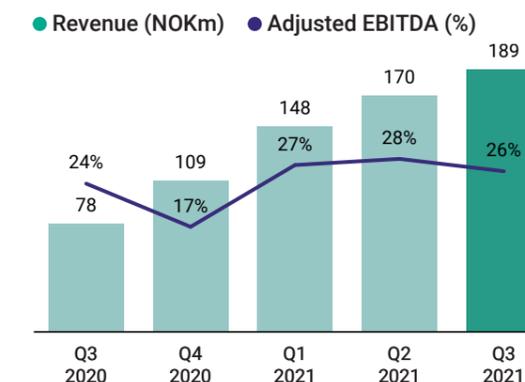
The company adopted IFRS as accounting standard with effect from the consolidation of the annual accounts for 2020, and figures in the table hence deviate from figures previously presented under NGAAP.

Revenue

Revenue in the third quarter 2021 amounted to NOK 188.6 million, corresponding to an increase of 142% year-on-year and an increase of 11% from the previous quarter. Software-as-a-Service licenses accounted for 96% of revenue with the remainder transaction-based revenue.

Year-on-year growth was supported by the acquisitions of Cloudia, Ibistic and CTM Solutions in Q2 2021, Negometrix in Q1 2021, and Visma Commerce in Q4 2020.

Pre-award buyers accounted for 41% and pre-award suppliers for 47% of revenue in the third quarter, with post-award accounting for the remaining 12%. This more or less reflects the composition of ARR following the most recent acquisition of Cloudia in June.



Source: Company data. EBITDA adjusted for M&A and special items

For the first nine months, revenue amounted to NOK 507.1 million. This was an increase of 150% from the first nine months 2020.

Mercell is the clear market leader in Sweden, Norway, Denmark, Finland and the Netherlands, which combined accounted for 94% of revenue in Q3 2021.

Sweden was the largest revenue contributor with 31%, followed by Norway with 23%, Denmark with 19% and the Netherlands and Finland with 11%. Other markets accounted for 6% of revenue. The company has offices in 13 countries and delivers services in 15 countries.

Operating costs

Figures in brackets relate to IFRS Q3 2020 or 9M 2020 figures.

Operating costs amounted to NOK 139.2 million in the third quarter (59.3), excluding special cost items of 37.3 million (14.9).

Special cost items in the third quarter mainly reflect earn-out provisions relating to acquisitions of NOK 27.0 million, of which NOK 25.7 million are non-cash. Other special cost items reflect advisory fees, and fees for the establishment or a revolving credit facility. Please refer to the section on Key Performance indicators at the end of this report for more detailed information.

The increase in underlying operating costs is primarily explained by the significant expansion over the past year with the acquisitions of Visma Commerce, Negometrix, Ibistic, CTM Solutions, and Cloudia, which has increased both personnel expenses and office and equipment costs.

Salaries and personnel expenses accounted for NOK 107.7 million of operating costs in the third quarter (49.0). This includes non-cash earn out provisions, and the cash component of salaries and personnel expenses was NOK 82.0 million.

Compared to the second quarter, salary and personnel expenses increased by NOK 43 million. The inclusion of Cloudia, CTM Solutions and Ibistic for a full quarter increased payroll by approximately NOK 9 million and earn-out provisions by approximately NOK 18 million. NOK 9 million of the increase is explained by holiday pay in the second quarter, whereas the remaining NOK 7 million is explained by increased number of employees in the Norwegian entities and changes in option costs.

The number of employees increased slightly to 698 from 696 at the end of the second quarter, 456 at the end of 2020 and 330 FTEs at the end of the third quarter 2020.

For the first nine months 2021, operating costs amounted to NOK 369.7 million (153.8), excluding M&A cost and other special items of NOK 92.1 million (30.1).

EBITDA

Reported EBITDA was NOK 12.0 million in the third quarter (3.6), with an EBITDA-margin of 6% (5%). Adjusted EBITDA, excluding M&A cost and special items, was NOK 49.3 million (18.4), with an adjusted EBITDA-margin of 26% (24%).

For the first nine months 2021, reported EBITDA was NOK 45.3 million (19.4). Adjusted EBITDA was NOK 137.4 million (49.4), with an adjusted EBITDA-margin of 27% (24%).

Mercell sees upside potential in the EBITDA-margin in the years to come, with increasing scale economies and improved efficiency. Operations in well-established pre-award markets such as Mercell in Norway and former Visma Commerce in Sweden show significantly higher margin levels than the overall Group. This supports the company's ambitions for continued margin improvement towards 40%+ EBITDA margins as the company and its markets grow over the years to come.

Operating results

Depreciation and amortization amounted to NOK 45.7 million in the third quarter (12.2).

The increased depreciation and amortization mainly reflect amortization of acquired intangible assets as well as increased amortization of internally developed software and technology platform.

For the first nine months depreciation and amortization amounted to NOK 127.6 million (31.2), in addition to impairments of NOK 14.8 million (0).

The operating loss (EBIT) was hence NOK 33.7 million in the third quarter (-8.6), and NOK 97.1 million for the first nine months (-11.8).

Net financials

Net financial items were a negative NOK 21.0 million (-15.8) in the third quarter 2021.

Financial income amounted to NOK 6.6 million (5.1), mainly due to foreign exchange gains reflecting a strengthening of NOK versus SEK. Financial expenses amounted

to NOK 27.6 million (21.0). Interest expenses were NOK 31.2 million (8.6) and interest on lease liabilities NOK 1.2 million (0.9). This was partly offset by NOK 4.9 million positive effect on other finance expenses.

For the first nine months net financial items were a negative NOK 25.9 million (-38.4). Please see note 7 for more information.

Results

Loss before tax was hence NOK 54.7 million in the third quarter 2021 (-24.5), and NOK 123.0 million for the first nine months (-50.2).

Net loss after tax was NOK 57.0 million in the third quarter (-23.4) and NOK 128.4 million for the first nine months (-47.8).

Cash flow

Figures in brackets relate to IFRS Q3 2020 or 9M 2020 figures.

Cash flow from operating activities

Net cash flow from operating activities was NOK 4.1 million in the third quarter 2021 (1.5). The deviation from EBITDA is mainly explained by increased working capital in the quarter, partly offset by deduction of non-cash provisions for earn-out agreements. The increased net working capital and other operating items had a negative effect of NOK 28.7 million on the cash flow from operating activities.

For the first nine months, net cash flow from operating activities amounted to NOK 62.5 million (47.2).

Mercell's SaaS business model is built on pre-paid software subscriptions, with the bulk of the subscriptions being paid in the fourth and first quarter of the year. The company expects higher cash flow from operating activities in the fourth quarter and first quarter next year.

Cash flow from investing activities

Cash flow from investing activities was a negative NOK 45.7 million in the third quarter (100.7), reflecting NOK 45.3 million development of software and other intangible assets and NOK 0.5 million purchase of property, plant, and equipment.

The company has no investments in acquisition of subsidiaries in the quarter (85.8).

For the first nine months, cash flow from investing activities was a negative NOK 1,278.9 million (264.7), of which development of software and other intangibles accounted for NOK 126.1 million (36.8), purchase of property, plant, and equipment for NOK 1.2 million (2.0), and acquisitions for NOK 1,151.6 (225.9). The latter reflects the acquisitions of Negometrix in the first quarter and CTMS, Ibistic and Cloudia in the second quarter.

The investments in development of software and other intangibles reflects a rapid pace of innovation and development of new products, and the ongoing work to move towards a common platform suite. The company has earlier indicated a capex level of NOK 160-180 million for 2021, and this is now expected to be around NOK 165 million. Development capex is expected to decline to approximately NOK 130 million next year, with a stable capex level expected beyond 2022. This indicates a significantly lower capex to revenue ratio from 2022 onwards.

Cash flow from financing activities

Cash flow from financing activities was a negative NOK 33.1 million in the third quarter (402.9). The main portion reflects interest paid with NOK 26.3 million and lease payments of NOK 5.9 million.

For the first nine months, cash flow from financing was a positive NOK 1,027.4 million (548.0), mainly reflecting proceeds from share issues and long-term debt used for acquisitions.

Net change in cash and cash equivalents

Net change in cash and cash equivalents was a negative NOK 74.0 million in the third quarter (303.6), and NOK 188.2 million in the first nine months (330.5).

Including foreign exchange effects, cash and cash equivalents hence declined to NOK 134.7 million at the end of the third quarter (354.4), down from NOK 209.5 million at the end of the second quarter and NOK 328.0 million at the end of 2020. As described above, the company expects stronger cash flow from operating activities in the fourth quarter and first quarter next year.

Financial position

Figures in brackets refer to IFRS YE 2020 figures

Assets

Total non-current assets amounted to NOK 4,313.3 million at the end of the first nine months 2021, compared to NOK 3,037.8 million at the end of 2020. The increase mainly reflects the acquisitions of Negometrix, Ibistic, CTM Solutions and Cloudia during the first half 2021, and there were only marginal changes from the end of the second quarter 2021.

Goodwill account for NOK 3,075.9 million (2,114.8), intangible assets for NOK 1,103.3 million (811.4), and other non-current assets for NOK 134.1 million (111.5). Please see note 4 for more information.

Current assets stood at NOK 257.9 million (446.2), comprising of trade and other receivables of NOK 119.0 (118.0), contract assets of NOK 4.1 million (0.1), and cash and cash equivalents of NOK 134.7 million (328.0).

Equity and liabilities

Total equity amounted to NOK 2,218.2 million (1,617.9), with the increase mainly reflecting share issues to fund acquisitions, partly offset by the losses in the period. The company carried out a private placement raising gross proceeds of approximately NOK 400 million in connection with the Cloudia acquisition in June 2021 and raised gross

proceeds of approximately NOK 434 million in connection with the Negometrix acquisition in February. Please see note 5 for more information.

The equity ratio was 49% at the end of the first nine months, up from 46% at the end of 2020.

Total liabilities amounted to NOK 2,352.9 million (1,866,0). Non-current liabilities were NOK 1,811.3 (1,301.4), which mainly reflects non-current interest-bearing liabilities of NOK 1,620.9 (1,144.2). The increase during the first nine months mainly reflects a tap issue increasing a bond maturing in December 2025 from SEK 1.1 billion to SEK 1.6 billion as part of the acquisition financing of Cloudia. Please see note 6 for more information. Other non-current liabilities include deferred tax liabilities of NOK 183.7 million, and other items totalling NOK 6.7 million.

In July Mercell entered into an agreement for a NOK 100 million Super Senior Revolving Credit Facility with Danske Bank, maturing in three years with a twelve-month extension option. The purpose of the facility is to finance general corporate needs and potential acquisitions.

Current liabilities amounted to NOK 541.6 million (564.6), of which NOK 23.2 million in current interest-bearing liabilities (15.7). Trade and other payables amounted to NOK 92.2 million, contract liabilities to NOK 313.1 million and other current financial liabilities to NOK 113.1 million.

Share information

Mercell was on 9 July transferred from the Euronext Growth trading platform to the main list on the Oslo Stock Exchange.

At the end of the third quarter 2021 Mercell had 502.1 million shares outstanding. On 9 November, after the end of the third quarter, 0.54 million new shares were registered after allocations to participants in the company's

Employees Share Ownership Program. The new number of registered shares is 502,663,855, each with a par value of NOK 0.20.

During the third quarter the shares traded between NOK 9.54 and NOK 6.92 per share.

The 20 largest shareholders hold 66% of the shares.

20 largest shareholders 15 November 2021

	# of shares	Ownership
STATE STREET BANK AND TRUST COMP	42 300 000	8.4%
CITIBANK, N.A.	30 792 388	6.1%
SKANDINAVISKA ENSKILDA BANKEN AB	29 247 857	5.8%
VIKING VENTURE 16B AS	25 912 103	5.2%
THE BANK OF NEW YORK MELLON SA/NV	24 799 523	4.9%
VIKING VENTURE 16 AS	21 291 748	4.2%
VERDIPAPIRFONDET DNB NORGE	16 747 253	3.3%
UBS SECURITIES LLC	16 000 000	3.2%
J.P. MORGAN SECURITIES LLC	15 431 024	3.1%
MORGAN STANLEY & CO. LLC	15 050 977	3.0%
MORGAN STANLEY & CO. INT. PLC.	12 435 819	2.5%
NORDNET BANK AB	11 613 999	2.3%
JPMORGAN CHASE BANK, N.A., LONDON	10 544 904	2.1%
MYRLID AS	10 186 144	2.0%
BANQUE DE LUXEMBOURG S.A.	9 816 567	2.0%
GRIEG HOLDINGS II AS	9 567 947	1.9%
EUROCLEAR BANK S.A./N.V.	8 716 968	1.7%
HSBC TRINKAUS & BURKHARDT AG	7 923 000	1.6%
CAMIVEO AS	7 023 897	1.4%
UBS AG	6 970 000	1.4%
Top 20 shareholders	332 372 118	66.1%
Other shareholders	170 291 737	33.9%
Total number of shares	502 663 855	100.0%

Risk and uncertainty factors

Market and operational risks

Merzell is a marketplace matching buyers and suppliers on platforms for e-tendering and e-procurement. The company's customer base mainly consists of public customers on the buy-side and a wide variety of suppliers on the supply-side of the platforms. The level of activity on the platforms therefore depends on public spending levels, which may fluctuate over time.

Merzell's revenue is to a great extent based on recurring subscription fees from both buyers and suppliers, and there is a risk that lower customer activity levels could affect the attractiveness of the platform and the company's ability to retain existing customers and/or attract new customers.

The company has seen continuous organic growth in the total number of paying buyers and suppliers as well as organic growth in revenue per customer over the past years. The company sees limited risk that sudden shifts in customer behavior should materially affect the financial performance.

The company considers M&A activities to be an integral part of the company's growth plans and has completed nine acquisitions over the past two years.

The largest of these was the acquisition of Visma Commerce in the fourth quarter, which accounted for approximately 36% of ARR at the end of 2020. Although the integration of such a large operation into Merzell could pose operational challenges, the company has seen positive effects on the operational and financial performance for both the existing and the acquired operations since the consolidation in December 2020. Merzell has strengthened its organization considerably over the past year to ensure the capacity required to handle a growing organization, which increased further with the acquisition of Negometrix in the first quarter 2021 and the acquisitions of Ibistic, CTM Solutions and Cloudia in the second quarter of the year.

Acquisitions in the post-award market in 2020 led the company into a market space with other characteristics and a different competitive landscape. While this may entail increased risk, the company has so far not seen any

issues which should indicate that these acquisitions have increased the overall risk in the company.

Liquidity risk

Merzell had a cash position of NOK 134.7 million at the end of the first nine months 2021. The company has secured funding for its M&A activities mainly through equity issues generating gross proceeds of approximately NOK 836 million, and through an increase of the outstanding bond from SEK 1.1 billion to SEK 1.6 billion.

Merzell's SaaS business model is built on pre-paid software subscriptions, with the bulk of the subscriptions being paid in the fourth and first quarter of the year. Compared to the third quarter, the company expects higher cash flow from operating activities in the fourth quarter and first quarter next year.

It is the view of the Board of Directors that the current cash position and cash flows offers sufficient liquidity to support operational and financial goals for the company's existing business activities.

Interest rate risk

The company is exposed to changes in interest rate levels via long-term debt with floating interest rates. The main portion of this is in the form of a SEK bond which was increased from SEK 1.1 billion to SEK 1.6 billion through a bond tap issue in the second quarter 2021. The interest rate is STIBOR +6% p.a., with quarterly interest payments and maturity in December 2025. The Group does not currently hedge the base STIBOR interest rate. Net interest expenses amounted to NOK 67.8 million in the first nine months 2021.

Foreign exchange risk

Merzell is exposed to changes in exchange rates, both in the calculation of Annual Recurring Revenue (ARR) and for transactions and translation into the reporting currency NOK. The risk exposure mainly relates to net investments in foreign subsidiaries with functional currencies in SEK,

DKK, EUR, GBP, and USD, as well as to the SEK denominated debt with interest payable in SEK.

In the first nine months 2021, the company reported net foreign exchange gains of NOK 51.3 million, mainly reflecting unrealized gains on the SEK denominated debt. The Group does not hedge currency exposure with the use of financial instruments at the current time but monitors the net exposure over time.

Outlook

Merzell has grown into the leading platform for public e-tendering and one of the largest B2B SaaS companies in the Nordic region. From a starting point of less than NOK 100 million at the end of 2019, the company has grown annual recurring revenues (ARR) to NOK 792 million through a combination of acquisitions and organic growth.

The company's vision is to become the preferred e-tendering and procurement platform in Europe by unleashing the full potential of a user-friendly and trusted marketplace.

Merzell has already established clear market leadership in Sweden, Norway, and Denmark, and acquired a leading position in the buy-side pre-award market in the Netherlands during the first quarter of 2021 and in Finland in June. These markets hold great opportunities for organic growth through the roll-out of a common platform across all markets, and a structured sales strategy.

The supplier segment holds particularly strong growth potential, and Merzell is introducing new and innovative product solutions in this segment. The company also sees a significant market opportunity in establishing supplier businesses in Finland and the Netherlands, where the recently acquired business units historically have focused solely on the buyer segment.

The company is investing significant amounts in product development to establish a common platform suite for all markets.

As previously communicated, Merzell also sees growth opportunities in the European procurement market. Few competitors operate in multiple geographical markets across both buyers and suppliers and across both the pre-award and post-award markets. This positions Merzell as a natural consolidator.

Credit risk

Merzell's main customers are public buyers and suppliers to these buyers, and Merzell's products and services are mainly subscription-based SaaS products with upfront payments.

For a more detailed review of risk and uncertainties, please see the Annual Report for 2020.

However, expansion through acquisitions requires equity and debt funding at competitive cost of capital, and valuations that enable accretive acquisitions to the benefit of the shareholders. In the current market the company will rather deploy all resources into the growth opportunities in existing markets.

As described on the Capital Markets Update in May, Merzell sees potential for 15%-20% average annual growth in ARR from 2020 to 2025, although growth trajectory will vary between quarters and years depending on product launches and market introductions. The company expects increased scale and improved efficiency from the ongoing platform integration program to gradually strengthen the EBITDA-margin towards the target level of 40%+.

Declaration by the board of directors and CEO

We confirm to the best of our knowledge that the condensed consolidated interim financial statements for three and nine months ended 30 September 2021 has been prepared in accordance with IAS 34 – Interim Financial Reporting as adopted by EU, and additional requirements found in the Norwegian Securities Trading Act, Norwegian Accounting Act, and gives a true and fair view of the Group's consolidated assets, liabilities,

financial position and result for the period. We also confirm to the best of our knowledge that the financial review gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the interim financial statements, any major related parties transactions, and a description of the principal risks and uncertainties for the remainder of the financial year.

The Board of Directors of Merzell Holding ASA

Oslo, 23 November 2021

Sign.

Joar Welde
Chair of the Board

Helge Nielsen
Board Member

Anne Lise Waal
Board Member

Berit Lid Scharff
Board Member

Erik Fjellvær Hagen
Board Member

Terje Wibe
CEO

Interim condensed consolidated financial statements

Condensed consolidated statement of comprehensive income

Merzell Group

All amounts in NOK 1 000	Note	Q3 2021	Q3 2020	YTD 2021	YTD 2020
		(01.07-30.09) Unaudited	(01.07-30.09) Unaudited	(01.01-30.09) Unaudited	(01.01-30.09) Unaudited
Revenues	2	188 559	77 764	507 100	203 208
Total operating revenue		188 559	77 764	507 100	203 208
Cost of goods sold		9 679	671	15 963	1 919
Salary and personnel expenses	8	107 714	49 021	238 329	118 406
Other operating expenses		59 137	23 083	177 172	58 528
M&A costs	8	-	1 430	30 379	4 996
Total operating expenses before depreciation and amortization		176 530	74 206	461 843	183 849
EBITDA		12 029	3 558	45 257	19 359
Depreciation and amortization	4	45 745	12 163	127 575	31 179
Impairment losses	4	-	-	14 814	-
Operating profit or loss		-33 716	-8 605	-97 132	-11 820
Financial income	7	6 576	5 111	51 489	786
Financial expense	7	27 562	20 956	77 426	39 189
Net financial items		-20 985	-15 844	-25 937	-38 402
Profit/loss before tax		-54 701	-24 449	-123 068	-50 222
Tax expense		2 269	-1 054	5 332	-2 430
Profit/ loss for the period		-56 970	-23 395	-128 400	-47 792
Other comprehensive income					
<i>Items which may subsequently be reclassified to profit or loss:</i>					
Translation differences from subsidiaries		-9 246	17 718	-109 765	25 312
Other comprehensive income or loss for the period		-9 246	17 718	-109 765	25 312
Total comprehensive income or loss for the period		-66 216	-5 676	-238 165	-22 479
Net loss for the year attributable to:					
Equity holders of the parent company		-56 970	-23 395	-128 400	-47 792
Non-controlling interest		-	-	-	-
Total comprehensive income attributable to:					
Equity holders of the parent company		-66 216	-5 676	-238 165	-22 479
Non-controlling interest		-	-	-	-
Earnings per share					
Basic earnings per share (NOK)		-0.113	-0.082	-0.274	-0.153
Diluted earnings per share (NOK)		-0.113	-0.082	-0.274	-0.153

Condensed consolidated statement of financial position

Merzell Group

All amounts in NOK 1 000	Note	2021	2020
		30.09 unaudited	31.12 audited
Deferred tax assets		27 696	26 703
Goodwill	4	3 075 922	2 114 806
Intangible assets	4	1 103 268	811 442
Right-of-use assets		66 938	58 329
Property, plant & equipment		13 696	6 361
Other non-current assets		20 140	14 549
Other non-current receivables		5 604	5 600
Total non-current assets		4 313 264	3 037 789
Trade and other receivables		119 027	118 049
Contract assets		4 137	122
Cash and cash equivalents		134 706	327 984
Total current assets		257 870	446 155
Total assets		4 571 134	3 483 944
Share capital	5	100 425	82 720
Share premium		2 576 952	1 791 125
Other equity		-459 143	-255 916
Total equity		2 218 233	1 617 930
Non-current interest-bearing liabilities	6	1 620 873	1 144 186
Deferred tax liabilities		183 688	151 462
Other non-current liabilities		5 515	4 526
Other non-current financial liabilities		1 188	1 262
Total non-current liabilities		1 811 264	1 301 436
Current interest-bearing liabilities	6	23 224	15 713
Trade and other payables		92 184	88 705
Contract liabilities		313 144	235 682
Other current financial liabilities		113 085	224 478
Total current liabilities		541 637	564 578
Total liabilities		2 352 901	1 866 014
Total equity and liabilities		4 571 134	3 483 944

Condensed consolidated statement of changes in equity

Merzell Group

All amounts in NOK 1 000	Note	Paid-in equity		Other equity		Total equity
		Share capital	Share premium	Cumulative translation differences	Retained earnings	
Equity as at 1 January 2021		82 720	1 791 125	17 126	-273 041	1 617 930
Net loss for the period		-	-	-	-128 400	-128 400
Other comprehensive income or loss		-	-	-109 765	-	-109 765
Total comprehensive income or loss		82 720	1 791 125	-92 640	-401 441	1 379 765
Issuance of share capital 11 February 2021	5	8 272	426 010	-	-	434 282
Issuance of share capital 20 April 2021	5	106	690	-	-	796
Issuance of share capital 11 May 2021	5	77	504	-	-	581
Issuance of share capital 5 June 2021	5	9 249	390 751	-	-	400 000
Cost of equity transactions		-	-32 129	-	-	-32 129
Share-based contingent remuneration arising from business combinations	8	-	-	-	34 758	34 758
Share-based payments		-	-	-	180	148
Equity as at 30 September 2021		100 425	2 576 952	-92 640	-366 504	2 218 233
Equity as at 1 January 2020		44 596	190 715	8 650	-127 858	116 103
Net profit/loss for the period		-	-	-	-47 792	-47 792
Other comprehensive income or loss		-	-	25 312	-	25 312
Total comprehensive income or loss		44 596	190 715	33 962	-175 650	93 624
Issuance of share capital 7 July 2020		13 340	436 885	-	-	450 225
Issuance of share capital 31 July 2020		22	144	-	-	166
Cost of equity transactions		-	-39 512	-	-	-39 512
Share-based payments		-	-	-	793	793
Equity as at 30 September 2020		57 958	588 232	33 962	-174 857	505 295

Condensed consolidated statement of cash flows

Mercell Group

All amounts in NOK 1 000	Note	Q3 2021	Q3 2020	YTD 2021	YTD 2020
		(01.07-30.09)	(01.07-30.09)	(01.01-30.09)	(01.01-30.09)
		Unaudited	Unaudited	Unaudited	Unaudited
Cash flow from operating activities:					
Profit/loss before tax		-54 701	-24 449	-123 069	-50 222
Income tax paid		-1 013	-19	-2 413	-164
Depreciation and amortization	4	45 745	12 163	127 575	31 179
Impairment losses	4	-	-	14 814	-
Share-based contingent remuneration arising from business combinations	8	25 721	-	34 198	-
Net financial items	7	20 985	15 844	25 937	38 402
Extinguishment of government loan		-3 922	-	-3 922	-
Changes in trade and other receivables		-10 376	7 600	34 827	11 711
Changes in trade and other payables		2 167	3 087	-8 693	9 551
Changes in contract liabilities		-13 115	-4 158	-377	18 139
Changes in other non-current assets		-1 494	-1 205	-2 205	-4 540
Changes in other operating items		-5 878	-7 402	-34 151	-6 828
Net cash flows from operating activities		4 118	1 460	62 521	47 226
Cash flow from investing activities					
(Purchase of) / proceeds from property, plant and equipment		-477	1 096	-1 156	-2 016
Development of software and other intangible assets	4	-45 271	-16 073	-126 098	-36 816
Acquisition of subsidiaries, net of cash acquired	8	-	-85 771	-1 151 614	-225 884
Net cash flows from investing activities		-45 747	-100 748	-1 278 868	-264 717
Cash flow from financing activities					
Proceeds from share issue	5	-	450 391	835 659	450 391
Repayments of borrowings		-605	-	-40 420	-
Repayment of sellers credit including interest	9	-	-	-150 612	-
Proceeds from long term debt		-	-	495 392	164 822
Transaction costs on issue of shares		-	-39 512	-31 729	-39 512
Payments for the principal portion of the lease liability		-5 879	-2 537	-15 388	-6 019
Interest paid	7	-26 254	-5 431	-65 058	-21 712
Other financing activities		-400	-	-400	-
Net cash flows from financing activities		-33 138	402 910	1 027 444	547 969
Net change in cash and cash equivalents		-74 768	303 623	-188 902	330 477
Foreign exchange effects on cash and cash equivalents		-7	5	-4 376	75
Cash and cash equivalents at beginning of the period		209 480	50 761	327 984	23 836
Cash and cash equivalents at end of the period		134 706	354 389	134 706	354 389

Notes to the interim condensed consolidated financial statements

Note 1 General information and basis for preparation

Mercell Holding ASA and its subsidiaries (collectively "the Group", or "Mercell") is a publicly listed company on the Oslo Stock Exchange (OSE), with the ticker symbol MRCEL. Mercell Holding ASA is incorporated and domiciled in Norway. The Company's principal offices are located in Aske Kroken 11, N-0277 Oslo Norway.

Mercell is a digital platform for public procurement, where buyers and suppliers meet in a unique, web-based marketplace. Mercell makes public procurement safe and transparent and contributes to effective and fair competition in the full tender process.

The interim condensed consolidated financial statements of Mercell for the three and nine months ended 30 September 2021 were authorised for issue in accordance with a resolution of the directors on 23 November 2021.

The interim consolidated financial statements for the three and nine months ended 30 September 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by The European Union ("EU") and additional requirements in the Norwegian Securities Trading Act. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2020. The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020.

New and amended accounting standards and interpretations issued by the IASB may affect the Group's future financial reporting. The Group has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

Note 2 Revenue from contracts with customers

Disaggregated revenue information

The Group's revenue from contracts with customers per segment has been disaggregated and presented in the tables below:

Q3 2021 (01.07-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post-award	Total
SaaS license	73 572	86 571	20 335	180 478
Other services	3 059	1 257	3 765	8 081
Total revenue from contracts with customers	76 631	87 828	24 100	188 559
Geographical markets				
Norway	11 353	27 868	4 060	43 281
Denmark	4 438	10 754	20 041	35 233
Sweden	16 331	41 629	-	57 960
Finland	18 723	1 740	-	20 463
Baltics	1 230	5 271	-	6 500
UK	3 032	350	-	3 381
Netherlands	19 782	26	-	19 808
Other	1 743	190	-	1 933
Total revenue from contracts with customers	76 631	87 828	24 100	188 559
Timing of revenue recognition				
Goods transferred at a point in time	-	-	-	-
Services transferred over time	76 631	87 828	24 100	188 559
Total revenue from contracts with customers	76 631	87 828	24 100	188 559
Inter-segment revenue	-	-	-	-
Segment revenue as presented in note 3	76 631	87 828	24 100	188 559

Q3 2020 (01.07-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post-award	Total
SaaS license	17 767	42 228	14 304	74 298
Other services	1 849	594	1 022	3 466
Total revenue from contracts with customers	19 615	42 822	15 326	77 764
Geographical markets				
Norway	7 181	19 776	2 064	29 021
Denmark	5 037	12 045	13 262	30 344
Sweden	957	4 751	-	5 708
Finland	118	1 246	-	1 363
Baltics	981	4 819	-	5 800
UK	2 497	102	-	2 599
Netherlands	932	-	-	932
Other	1 912	84	-	1 996
Total revenue from contracts with customers	19 615	42 822	15 326	77 764
Timing of revenue recognition				
Goods transferred at a point in time	-	-	-	-
Services transferred over time	19 615	42 822	15 326	77 764
Total revenue from contracts with customers	19 615	42 822	15 326	77 764
Inter-segment revenue	-	-	-	-
Segment revenue as presented in note 3	19 615	42 822	15 326	77 764

YTD 2021 (01.01-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post-award	Total
SaaS license	174 799	251 118	57 314	483 231
Other services	9 168	6 898	7 803	23 869
Total revenue from contracts with customers	183 967	258 016	65 117	507 100
Geographical markets				
Norway	33 654	80 782	7 537	121 973
Denmark	13 384	35 905	57 580	106 869
Sweden	47 084	120 635	-	167 718
Finland	25 341	4 732	-	30 073
Baltics	3 380	14 154	-	17 534
UK	8 986	808	-	9 794
Netherlands	47 610	77	-	47 687
Other	4 528	923	-	5 451
Total revenue from contracts with customers	183 967	258 016	65 117	507 100
Timing of revenue recognition				
Goods transferred at a point in time	-	-	-	-
Services transferred over time	183 967	258 016	65 117	507 100
Total revenue from contracts with customers	183 967	258 016	65 117	507 100
Inter-segment revenue	-	-	-	-
Segment revenue as presented in note 3	183 967	258 016	65 117	507 100

YTD 2020 (01.01-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post-award	Total
SaaS license	49 206	124 164	21 855	195 225
Other services	2 663	2 512	2 807	7 982
Total revenue from contracts with customers	51 869	126 676	24 663	203 208
Geographical markets				
Norway	19 623	56 246	4 816	80 685
Denmark	8 784	37 883	19 847	66 514
Sweden	6 047	12 472	-	18 519
Finland	336	3 546	-	3 882
Baltics	2 542	13 624	-	16 166
UK	7 705	191	-	7 896
Netherlands	2 790	-	-	2 790
Other	4 041	2 714	-	6 755
Total revenue from contracts with customers	51 869	126 676	24 663	203 208
Timing of revenue recognition				
Goods transferred at a point in time	-	-	-	-
Services transferred over time	51 869	126 676	24 663	203 208
Total revenue from contracts with customers	51 869	126 676	24 663	203 208
Inter-segment revenue	-	-	-	-
Segment revenue as presented in note 3	51 869	126 676	24 663	203 208

Note 3 Operating Segments

Q3 2021 (01.07-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post award	Other	Eliminations/ Adjustments	Consolidated IFRS
Revenues	76 631	87 828	24 100	-	-	188 559
Total operating revenue	76 631	87 828	24 100	-	-	188 559
Salary and personnel expenses	41 676	43 106	14 121	-	8 810	107 714
Other costs	23 972	21 126	10 994	34 934	-22 210	68 817
M&A-cost	-	-	-	-	-	-
Total operating expenses before depreciation and amortization	65 649	64 233	25 115	34 934	-13 400	176 530
EBITDA	10 982	23 595	-1 014	-34 934	13 400	12 029

Q3 2020 (01.07-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post award	Other	Eliminations/ Adjustments	Consolidated IFRS
Revenues	19 615	42 822	15 326	-	-	77 764
Total operating revenue	19 615	42 822	15 326	-	-	77 764
Salary and personnel expenses	14 006	26 750	8 470	-	-204	49 021
Other costs	2 736	9 900	5 222	5 791	106	23 754
M&A-cost	-	-	-	1 430	-	1 430
Total operating expenses before depreciation and amortization	16 741	36 649	13 692	7 221	-98	74 206
EBITDA	2 874	6 173	1 634	-7 221	98	3 558

YTD 2021 (01.01-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post award	Other	Eliminations/ Adjustments	Consolidated IFRS
Revenues	183 967	258 016	65 117	-	-	507 100
Total operating revenue	183 967	258 016	65 117	-	-	507 100
Salary and personnel expenses	90 094	105 850	30 716	-	11 669	238 329
Other costs	62 509	69 601	30 262	65 690	-34 927	193 135
M&A-cost	-	-	-	30 379	-	30 379
Total operating expenses before depreciation and amortization	152 603	175 452	60 978	96 069	-23 258	461 843
EBITDA	31 364	82 564	4 139	-96 069	23 258	45 257

YTD 2020 (01.01-30.09)

All amounts in NOK 1 000	Pre-award Buyers	Pre-award Suppliers	Post award	Other	Eliminations/ Adjustments	Consolidated IFRS
Revenues	51 869	126 676	24 663	-	-	203 208
Total operating revenue	51 869	126 676	24 663	-	-	203 208
Salary and personnel expenses	33 712	68 026	16 843	-	-175	118 406
Other costs	13 052	37 278	8 689	1 200	228	60 447
M&A-cost	-	-	-	4 996	-	4 996
Total operating expenses before depreciation and amortization	46 764	105 304	25 532	6 196	53	183 849
EBITDA	5 105	21 372	-869	-6 196	-53	19 359

During the second quarter of 2021, NOK 5,548 million in revenues and NOK 7,140 million in costs were allocated within the pre-award suppliers segment which should both have been allocated to the pre-award buyers segment. The reclassification of these amounts is shown in the above YTD 2021 (01.01 - 30.09) table.

Note 4 Goodwill and Intangible assets

All amounts in NOK 1 000	Goodwill	Internally developed software	Technology platform	Customer relationship	Other intangible assets allocated from acquisition ¹⁾	Total
Acquisition cost 31.12.2020	2 114 806	236 079	112 656	612 380	33 204	3 109 125
Additions	-	126 098	-	-	-	126 098
Additions through acquisition	1 037 102	-	73 692	235 390	11 266	1 357 450
Translation differences	-75 987	-	-5 343	-22 866	-929	-105 125
Acquisition cost 30.09.2021	3 075 922	362 177	181 004	824 904	43 540	4 487 548
Acc. amort. & impairments 31.12.2020	-	161 067	5 686	13 381	2 744	182 878
Period's amortization	-	29 696	23 395	55 175	3 332	111 598
Period's impairments	-	14 814	-	-	-	14 814
Translation differences	-	-	-264	-632	-35	-932
Acc. amort. & impairments 30.09.2021	-	205 577	28 817	67 924	6 040	308 358
Carrying amount 31.12.2020	2 114 806	75 012	106 970	599 000	30 460	2 926 248
Carrying amount 30.09.2021	3 075 922	156 600	152 188	756 980	37 500	4 179 190

Economic life	Indefinite	5 years	5 years	5-10 years	4-7 years, Indefinite ¹⁾
Depreciation method	-	Linear	Linear	Linear	Linear

The Group performed its annual impairment test of goodwill and intangible assets with indefinite useful lives in December and no impairments were made. The Group's impairment test for goodwill and intangible assets with indefinite useful lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different CGUs were disclosed in the annual consolidated financial statements for the year ended 31 December 2020.

At the end of each reporting period the Group reviews for both external and internal indicators of impairment of CGUs. If such indications exist, impairment testing is performed. Goodwill is as a minimum tested annually even though no indications exist. The Group considers the relationship between its market capitalization and its book value, among other factors, when reviewing for indicators of impairment. As at 30 September 2021, the Group's shares was traded at P/B-level of 1.6. In addition, the Group considers the industry growth, impact of general economic conditions, the Group's market share and performance compared to previous forecasts in this assessment, among other factors. Significant non-budgeted churn, significant reduction in prices, material deviations in budgeted ARR growth or budgeted margins are some of the financial indicators being considered as indications of impairment. There have been no significant changes in significant factors that indicate a significant change in the value of the company's assets during the nine month ended 30 September 2021 and hence no impairment testing has been performed.

Although the Group had no impairment indicators during the quarter, the Group identified two R&D projects in the second quarter that will be discontinued:

After the acquisition of Negometrix, the Group's approach within the pre-award buy side domain has recently shifted from building a new platform from scratch, to basing its common platform on a modified and enhanced version of the Negometrix NX4 platform. The Group identified that previously capitalized costs amounting to NOK 9,233 thousand were to be discontinued and therefore impaired.

The Group initiated a project to develop a common eProcurement platform in 2020. During the project one of the modules in Comcare was decided to be replaced by a module in Tricom. The Group identified that previously capitalized costs amounting to NOK 5,581 thousand were to be discontinued and therefore be impaired.

1) Other intangible assets allocated from business combination includes brand and backlog. Brand has indefinite useful life.

Note 5 Equity

On 11 February 2021 Mercell carried out a private placement raising gross proceeds of approximately NOK 434,282 thousand in new equity through issuance of 41,360 thousand shares at a subscription price of NOK 10.50 per share.

On 20 April and 11 May 2021, the share capital increased due to the exercise of share options. There were in total issued 918 thousand new shares at a strike price of NOK 1.5 per share.

On 5 June 2021 Mercell carried out a private placement raising gross proceeds of approximately NOK 400,000 thousand in new equity through issuance of 46,242 thousand new shares at a subscription price of NOK 8.65 per share.

As of 30 September 2021, the Company had 502,123 thousand shares outstanding.

The share capital in Mercell Holding ASA consists of the following:

Share capital in Mercell Holding ASA	Number of shares issued and fully paid	Par value per share (NOK)	Carrying amount (NOK 1000)
At 1 January 2020	222 981 653	0.2	44 596
Issuance of share capital 7 July 2020	66 700 000	0.2	13 340
Issuance of share capital 31 July 2020	110 670	0.2	22
At 30 September 2020	289 792 323	0.2	57 958
Issuance of share capital 3 December 2020	123 810 000	0.2	24 762
At 31 December 2020	413 602 323	0.2	82 720
Issuance of share capital 11 February 2021	41 360 230	0.2	8 272
Issuance of share capital 20 April 2021	530 570	0.2	106
Issuance of share capital 11 May 2021	387 345	0.2	77
Issuance of share capital 5 June 2021	46 242 775	0.2	9 249
At 30 September 2021	502 123 243	0.2	100 425

Shareholders in Mercell Holding ASA at 30 September 2021	Total shares	Ownership	Voting rights
STATE STREET BANK AND TRUST COMP	41 800 000	8%	8%
CITIBANK, N.A.	30 842 288	6%	6%
SKANDINAVISKA ENSKILDA BANKEN AB	29 247 857	6%	6%
VIKING VENTURE 16B AS	25 912 103	5%	5%
THE BANK OF NEW YORK MELLON SA/NV	23 542 923	5%	5%
VIKING VENTURE 16 AS	21 291 748	4%	4%
MORGAN STANLEY & CO. INT. PLC.	19 290 442	4%	4%
VERDIPAPIRFONDET DNB NORGE	16 697 253	3%	3%
UBS SECURITIES LLC	16 000 000	3%	3%
MORGAN STANLEY & CO. LLC	14 514 526	3%	3%
NORDNET BANK AB	11 354 161	2%	2%
J.P. MORGAN SECURITIES LLC	10 282 953	2%	2%
MYRLID AS	10 186 144	2%	2%
JPMORGAN CHASE BANK, N.A., LONDON	10 144 904	2%	2%
GRIEG HOLDINGS II AS	9 567 947	2%	2%
HSBC TRINKAUS & BURKHARDT AG	7 923 000	2%	2%
GOLDMAN SACHS INTERNATIONAL	7 837 957	2%	2%
BANQUE DE LUXEMBOURG S.A.	7 804 567	2%	2%
CAMIVEO AS	7 023 897	1%	1%
EUROCLEAR BANK S.A./N.V.	6 816 968	1%	1%
Other shareholders	174 041 605	35%	35%
Total	502 123 243	100%	100%

Note 6 Interest-bearing liabilities

Specification of the Group's interest-bearing liabilities:

All amounts in NOK 1 000	30.09.2021	31.12.2020
Interest-bearing bond debt	1 556 473	1 098 920
Other interest-bearing debt	16 985	-
Lease liability	47 415	45 266
Non-current interest-bearing liabilities	1 620 873	1 144 186
Interest-bearing debt, due within 12 months	-	-
Lease liability, due within 12 months	23 224	15 713
Current interest-bearing liabilities	23 224	15 713

In December 2020, the Group signed a SEK 2 billion callable open bond issue and completed an initial bond issue of SEK 1.1 billion for the financing of the acquisition of Visma Commerce. The bond carries an interest of STIBOR + 6%, payable on a quarterly basis and matures in December 2025. The bond was also used to refinance Mercell's previous outstanding EUR 14.5 million and SEK 153 million senior secured floating rate note issuance, which originally had maturity on 6 May 2023.

In June 2021, the Company completed a tap issue of SEK 500 million additional bonds for the financing of the Cloudia acquisition. The issuance was completed under the existing SEK 1.1 billion five-year senior secured bond issue with identical terms.

On 6 July 2021, the Company entered into an agreement for a NOK 100 million Super Senior Revolving Credit Facility (the "SSRCF") with Danske Bank, Norway Branch as lender. As at 30 September 2021 no part of this facility had been utilised.

The Group's interest-bearing bond debt is presented in the table below:

Interest-bearing bond debt (All amounts in NOK)	Interest rate	Maturity	30.09.2021	31.12.2020
Interest-bearing bond debt - MSEK 1 100 + carried interest	6.00%	08.12.2025	1 058 602	1 098 920
Interest-bearing bond debt - MSEK 500 + carried interest	6.00%	08.12.2025	497 871	-
Total interest-bearing bond debt			1 556 473	1 098 920

Set out below is information on fair value of the Group's interest bearing bond debt which is traded publicly on the Frankfurt Open Market:

All amounts in NOK 1 000	Date	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities disclosed at fair value						
Interest-bearing bond debt	30.09.2021	1 556 473	1 643 507	X		
Interest-bearing bond debt	31.12.2020	1 098 920	1 147 850	X		

There are no changes in the classification and measurement of Mercell's financial assets and liabilities. There were no transfers between the levels during the three months ended 30 September 2021. There were no changes in the Group's valuation process, valuation techniques and types of inputs used in the fair value measurements during the period.

Note 7 Financial income and expenses

All amounts in NOK 1 000	Q3 2021 01.07- 30.09.2021	Q3 2020 01.07- 30.09.2020	YTD 2021 01.01- 30.09.2021	YTD 2020 01.01- 30.09.2020
Finance income				
Interest income	112	528	213	786
Foreign exchange gains	6 464	4 584	51 276	-
Total financial income	6 576	5 111	51 489	786
Finance expenses				
Interest expenses	31 198	8 649	67 763	19 573
Interest expense on lease liabilities	1 219	878	3 459	2 140
Foreign exchange losses	-	10 328	-	16 375
Other finance expenses	-4 856	1 101	6 204	1 101
Total financial expenses	27 562	20 956	77 426	39 189

Foreign exchange currency gain/loss

Foreign exchange currency gain/loss relates mainly to the Group's SEK 1.6 million bond debt.

Note 8 Business combinations

Negometrix B.V

On 10 February 2021, The Group acquired 100% of the voting shares of Negometrix B.V., a Netherland-based company providing e-tendering solutions in the Netherlands, with an established foothold in the US market and an integrated technology hub in Bulgaria.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Mercell Holding ASA obtained control of the legal entities, 10 February 2021. For tax and economic purposes, the effective date was 10 February 2021.

The acquisition-date fair value of the total consideration transferred was NOK 273,667 thousand in cash and estimated contingent consideration (not yet paid). Transaction costs of NOK 5,832 thousand were expensed and are included in M&A costs. From the date of acquisition, Negometrix has contributed NOK 42,674 thousand of revenue and NOK 6,290 thousand to the net profit before tax.

CTMS B.V.

On 11 May 2021, the Group acquired 100% of the shares in CTM Solution B.V, a Netherland-based software-as-a-service distributor company providing e-procurement software that includes sourcing, tendering, and contract management.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Mercell Holding ASA obtained control of the legal entities, 11 May 2021. For tax and economic purposes, the effective date was 11 May 2021.

The acquisition-date fair value of the total consideration transferred was NOK 17,919 thousand in cash. Transaction costs of NOK 1,097 thousand were expensed and are included in M&A costs. From the date of acquisition, CTMS has contributed NOK 2,960 thousand of revenue and NOK 696 thousand to the net profit before tax.

In relation to the acquisition of CTMS, there are no conditional earnout liability included in the purchase price. However, pursuant to the terms of the share purchase agreement, a conditional earnout amount is payable by the Group conditional upon the retention of key employees, which is regarded as remuneration and matures 12 months from the closing of the acquisition. Assuming that all conditions are met, the total earnout amount will be EUR 500 thousand. If none of the relevant conditions are met, the total earnout amount will be zero. As at 30 September 2021, NOK 1,710 thousand has been accrued as salary and personnel expenses.

Ibistic International A/S

On 11 May 2021, the Group acquired 100% of the shares in Ibistic International A/S, an Danish-based software-as-a-service distributor company which provides invoice and expense management.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Mercell Holding ASA obtained control of the legal entities, 11 May 2021. For tax and economic purposes, the effective date was 11 May 2021.

The acquisition-date fair value of the total consideration transferred was NOK 37,526 thousand in cash, deferred payment and estimated contingent consideration (not yet paid). Transaction costs of NOK 835 thousand were expensed and are included in M&A costs. From the date of acquisition, Ibistic has contributed NOK 9,086 thousand of revenue and NOK 2,564 thousand to the net profit before tax.

Cloudia Oy

On 08 June 2021, the Group acquired 100% of the shares in Cloudia Oy, a Finland-based software-as-a-service distributor company that provides sourcing, contract, and supplier management.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Mercell Holding ASA obtained control of the legal entities, 8 June 2021. For tax and economic purposes, the effective date was 08 June 2021.

The acquisition-date fair value of the total consideration transferred was NOK 905,928 thousand in cash. Transaction costs of NOK 22,615 thousand were expensed and are included in M&A costs. From the date of acquisition, Cloudia has contributed NOK 25,029 thousand of revenue and NOK 5,448 thousand to the net profit before tax.

In relation to the acquisition of Cloudia, there are no conditional earnout liability included in the purchase price. However, pursuant to the terms of the share purchase agreement, a conditional earnout amount is payable by the Group conditional upon satisfaction of retention and performance targets for key employees for 2021, which is regarded as remuneration and accrued over the vesting period, lasting one year from the acquisition date. Assuming that all conditions are met, the total earnout amount will be EUR 10 million, paid in Shares during 2022 (based on the Share price at the time of the share issue). If none of the conditions are met, the total earnout amount will be zero. As at 30 September 2021, NOK 34,198 thousand has been accrued as salary and personnel expenses.

Based on a provisional purchase price allocation (PPA), the below table illustrates the fair values of the identifiable assets in Negometrix, CTMS, Ibistic and Cludia at acquisition dates:

Acquisitions during the six months ended 30 June 2021	10.02.2021 Negometrix B.V.	11.05.2021 CTMS B.V.	11.05.2021 Ibistic International A/S	08.06.2021 Cludia Oy
Technology	30 803	-	2 443	40 445
Brand	1 683	-	688	8 895
Customer relationship	60 246	7 084	18 208	149 852
Deferred tax assets	1 403	-	51	19 668
Other non-current assets	3 387	678	420	4 156
Total non-current assets	97 522	7 762	21 811	223 016
Current assets				
Accounts receivables	17 433	1 129	3 929	12 858
Other current assets	2 244	-	279	1 389
Cash and cash equivalents	14 971	9 313	846	25 831
Total current assets	34 647	10 442	5 054	40 078
Total assets	132 169	18 203	26 865	263 094
Deferred tax liability	13 516	1 063	2 486	38 579
Other non-current liabilities	8 675	-	1 347	40 160
Total non-current liabilities	22 191	1 063	3 833	78 738
Accounts payable	2 047	4 930	661	1 033
Other current liabilities	38 959	5 089	9 567	74 271
Total current liabilities	41 005	10 018	10 229	75 304
Total liabilities	63 196	11 081	14 062	154 042
Total identifiable net assets at fair value	68 973	7 122	12 803	109 051
Purchase consideration	273 677	17 919	37 526	905 928
Goodwill arising on acquisition	204 705	10 796	24 723	796 877
Purchase consideration				
Cash consideration paid	257 967	17 919	20 760	905 928
Deferred consideration	-	-	8 476	-
Estimated contingent consideration (not yet paid)	15 700	-	8 290	-
Total consideration	273 667	17 919	37 526	905 928

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

None of the goodwill recognised is deductible for income tax purposes.

Analysis of cash flows on acquisition	Negometrix B.V.	CTMS B.V.	Ibistic International A/S	Cludia Oy
Net cash acquired (included in the cash flow from investing activities)	14 971	9 313	846	25 831
Cash paid (included in the cash flow from investing activities)	257 967	17 919	20 760	905 928
Net cash flow from acquisition	-242 996	-8 606	-19 914	-880 097

The Company acquired Aksess Innkjøp AS, TrueLink A/S, Tricom ApS and Comcare in the period from 1 January to 30 September 2020. For more details on acquisitions for the nine months ended 30 September 2020, references are made to the Company's annual consolidated financial statements for the year ended 31 December 2020.

The table below shows the Group's revenue and profit before tax for the six months period ended 30 September 2021 and 2020 if the business combinations had taken place at the beginning of the year:

All amounts in NOK 1 000	YTD 2021 (01.01-30.09)	YTD 2020 (01.01-30.09)
Revenue	507 100	203 208
Revenue from acquired entities pre acquisition	47 051	19 746
Pro forma revenue	554 151	222 954
Loss before tax	-123 068	-50 222
Loss before tax from acquired entities pre acquisition	-930	-28 434
Pro forma profit before tax	-123 999	-78 656

Government grants

To offset revenue losses and finance salary costs during the COVID-19 pandemic, the Mercell Group received government support in the US during the third quarter. A government assisted loan was also partly forgiven (50%) during the quarter in Finland. The total amount of approximately NOK 4.9 million has been presented as a reduction in salary and personnel expenses in accordance with IAS 20.

Note 9 Adjustment in cash flow presentation of seller's credit

The cash flow effect related to the sellers credit was included in operating activities on the consolidated statement of cash flows for 2020 as a part of changes in other operating items, and was offset by a similar amount under investing cash outflows related to acquisitions of subsidiaries. A more appropriate presentation would have been to present the investing cash flows related to investments in subsidiaries net of the sellers credit. The sellers credit was paid in Q1 2021. In the cash flow statement for YTD 2021, the effect of the payment is reflected in financing activities as if the cash outflows related to acquisition of subsidiaries in 2020 had been net of the sellers credit. The adjustment will be reflected in comparative figures for Q4 2020.

Note 10 Subsequent events

The board of directors of the Company resolved in April 2021 to implement an Employment Share Ownership Program (the "program") for its employees in the EU, EEA and the UK. The participants in the program were in September 2021 offered to acquire new shares in the Company for an amount between NOK 5,000 and NOK 22,500 each. The shares were offered with a discount of 25% and are subject to a two years lock-up period. The offer period was finalized on 27 September 2021. Based on the applications received and following payment, the board of directors of the Company has allocated a total of 540,612 new share to the participants. The related share capital increase of NOK 108,122.40 was on 9 November 2021 registered with the Norwegian Register of Business Enterprises (Nw. Foretaksregisteret). The new registered share capital of the Company is NOK 100,532,771 divided into 502,663,855 shares, each with a par value of NOK 0.20.

Key performance indicators (KPI)

This section includes information about Key performance indicators applied by the Group.

These Key performance indicators are shown to improve the ability of stakeholders to evaluate the Group's financial performance.

The Group applies the following KPIs;

Annual recurring revenue (ARR) and organic ARR growth

ARR is the value of the contracted recurring revenue components of subscriptions at any given point in time, normalized to a one year period, including certain transaction based revenues tied to the subscriptions. Organic ARR growth is used to measure the Group's ability to grow by increased ARR from existing and new customers, as opposed to growth through acquisitions. Organic ARR growth is defined as ARR adjusted for the effects from acquisitions, divestments and foreign currency effects.

ARR is calculated based on monthly subscriptions fee for the ending period multiplied by 12 in order to represent an annualized figure. The Group presents ARR because it considers it to be an important supplemental measure for stakeholders to understand the overall picture of revenue generation in the Group's operating activities. Organic growth is an important key figure to Merzell and to stakeholders as it illustrates the underlying operational growth by excluding effects related to acquisitions and other non-operational items.

All amounts in NOK 1 000	30.09.2021	30.09.2020
Annual recurring revenue	791 855	337 917
Organic ARR growth	21%	36%

Organic revenue growth

Organic revenue growth is used to measure the Groups ability to grow by additional sales to existing and new customers, as opposed to growth through acquisitions. Organic growth is defined as revenue adjusted for the effects from acquisitions, divestments and foreign currency effects. Organic growth is an important key figure to Merzell and to stakeholders as it illustrates the underlying operational growth by excluding effects related to acquisitions and other non-operational items.

All amounts in NOK 1 000	Q3 2021 (01.07-30.09)	YTD 2021 (01.01-30.09)
Revenue 30 September 2020	77 764	203 208
Pro forma adjustment for companies aquired before 30 September 2020	5 043	38 281
Sum revenue 2020	82 807	241 489
Revenue 30 September 2021	188 559	507 100
Excluding companies aquired after 30 September 2020	-99 646	-243 406
Sum revenue 30 September 2021 excluding companies aquired	88 913	263 694
Organic revenue growth 2021	7%	9%

All amounts in NOK 1 000	Q3 2020 (01.07-30.09)	YTD 2020 (01.01-30.09)
Revenue 30 September 2019	46 859	106 696
Pro forma adjustment for companies acquired before 30 September 2019	1 140	33 796
Sum revenue 30 June 2019	47 999	140 492
Revenue 30 September 2020	77 764	203 208
Excluding companies acquired after 30 September 2019	-15 326	-24 663
Sum revenue 30 September 2020 excluding companies acquired	62 438	178 545
Organic revenue growth 2020	30%	27%

EBITDA and Adjusted EBITDA

The Groups earnings before interest, tax, depreciation and amortization (EBITDA) is used to provide consistent information on Merzell's operating performance relative to other companies and frequently used by analysts, investors and other stakeholders. EBITDA, as defined by Merzell, includes total operating revenue. It excludes depreciation, amortization and impairment loss. Merzell's definition of EBITDA may differ from that of other companies.

For a reconciliation of EBITDA refer to the consolidated statement of comprehensive income.

Adjusted EBITDA is a measurement which is used in the internal reporting to management which is also considered to be relevant for external stakeholders. Adjusted EBITDA is used to better show the underlying performance, as it adjusts for certain items that are considered extraordinary, such as acquisitions and costs incurred related to its initial public offering. Merzell's definition of adjusted EBITDA may differ from that of other companies.

EBITDA Margin is defined as EBITDA as a percentage of revenues. EBITDA Margin is a non-IFRS financial measure that the Group considers to be an APM, and which should not be viewed as a substitute for any IFRS financial measure. The Group presents this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of profit generation in the Group's operating activities.

Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of revenues. Adjusted EBITDA Margin is a non-IFRS financial measure that the Group considers to be an APM, and which should not be viewed as a substitute for any IFRS financial measure. The Group presents this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of profit generation in the Group's operating activities.

EBITDA and Adj. EBITDA

All amounts in NOK 1 000	Q3 2021 (01.07-30.09)	Q3 2020 (01.07-30.09)	YTD 2021 (01.01-30.09)	YTD 2020 (01.01-30.09) Restated
Revenue	188 559	77 764	507 100	203 208
EBITDA	12 029	3 558	45 257	19 359
EBITDA Margin	6%	5%	9%	10%
M&A cost ¹⁾	-	1 430	30 379	4 996
Other items ²⁾	37 295	13 451	61 767	25 084
Adjusted EBITDA	49 324	18 440	137 402	49 439
Adjusted EBITDA Margin	26%	24%	27%	24%

¹⁾ Specification of M&A cost:

All amounts in NOK 1 000	Q3 2021 (01.07-30.09)	Q3 2020 (01.07-30.09)	YTD 2021 (01.01-30.09)	YTD 2020 (01.01-30.09)
Legal due diligence	-	822	10 398	3 121
Technical due diligence	-	-	1 325	-
Financial due diligence	-	608	4 252	1 875
Financial M&A support	-	-	-	-
Transfer tax	-	-	14 404	-
M&A cost	-	1 430	30 379	4 996

²⁾ Specification of other items:

All amounts in NOK 1 000	Q3 2021 (01.07-30.09)	Q3 2020 (01.07-30.09)	YTD 2021 (01.01-30.09)	YTD 2020 (01.01-30.09) Restated
Advisory fees, listing process	6 417	4 761	28 875	8 189
Advisory fees, other	2 031	-	2 031	-
Severance pay	-	1 110	-	3 565
Management bonus IPO	-	5 705	-	5 705
Management compensation for acquired entities	-	-	-	3 115
Fees for admission to listing	-	749	-	749
Contingent remuneration arising from business combinations	27 007	-	35 908	-
Revolving credit facility establishment fees	1 710	-	1 710	-
Systems implementation	130	-	130	-
Post merger integration	-	-	2 717	-
Effects of prior period adjustments	-	1 126	-9 604	3 761
Other items	37 295	13 451	61 767	25 084

YTD 2020 has been restated to show the effects of prior period adjustment made in 2021 relating to this period.

Net interest-bearing debt

The Group defines net interest-bearing debt as cash and cash equivalents, reduced for current and non-current interest-bearing debt, including lease liabilities. It is management's belief that this measure is useful to present as it shows the actual financial indebtedness of the Group.

All amounts in NOK 1 000	YTD 30.09.2021	Year ended 31.12.2020
Cash and cash equivalents	134 706	327 984
Less:		
Interest-bearing bond debt	1 556 473	1 098 920
Other interest-bearing debt	16 985	-
Non-current lease liability	47 415	45 266
Current interest-bearing liabilities	-	-
Current lease liabilities	23 224	15 713
Other interest-bearing current liabilities - short term debt related to the acquisition of Visma Commerce	-	161 591
Net interest bearing debt	1 509 391	993 506



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