

ABAX GROUP AS

Financial Report Q4 2024

Highlights

Continued Yearly Growth and Strategic Advancements



2024 highlights

- Full year revenue of 820 MNOK (799) MNOK, 3 % growth year-over-year or 8 % growth excluding Sweden, which remains impacted by macroeconomic challenges, particularly in the construction sector
- Adjusted EBITDA of 323,4 MNOK in 2024, 0,2 MNOK above last year
- Strong adjusted gross margin of 87 % with significant savings from operational efficiencies in the fourth quarter
- Adjusted EBITDA margin of 39,5 %
- Adjusted Operating Free Cash Flow grew 20% year-over-year
- Acquisition of Fleet 360 in Q4 to strengthen our product offerings to our larger customer segment

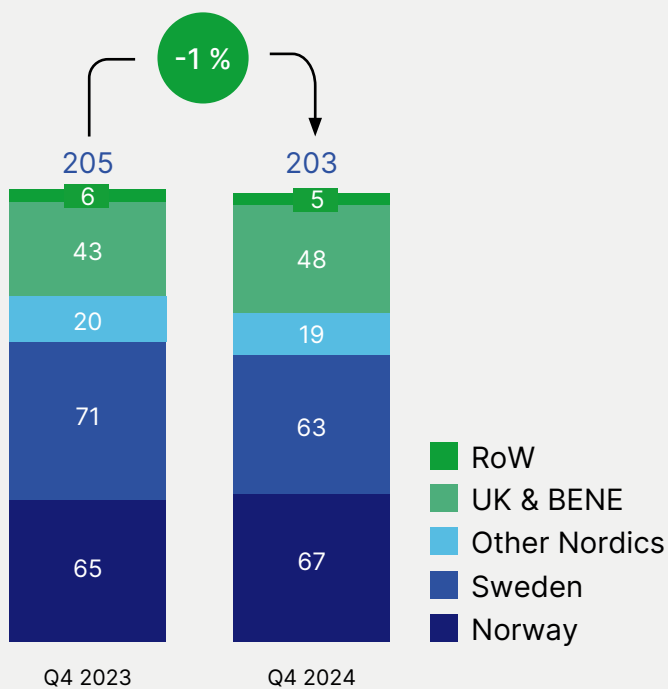
Events after the Balance sheet date:

- ABAX has successfully placed SEK 900 million of new senior secured bonds. The net proceeds from the bond issue have been used to refinance the Company's existing NOK 1,000 million senior secured bonds.
- ABAX has appointed OCTO Telematics as a new provider of risk scoring data.

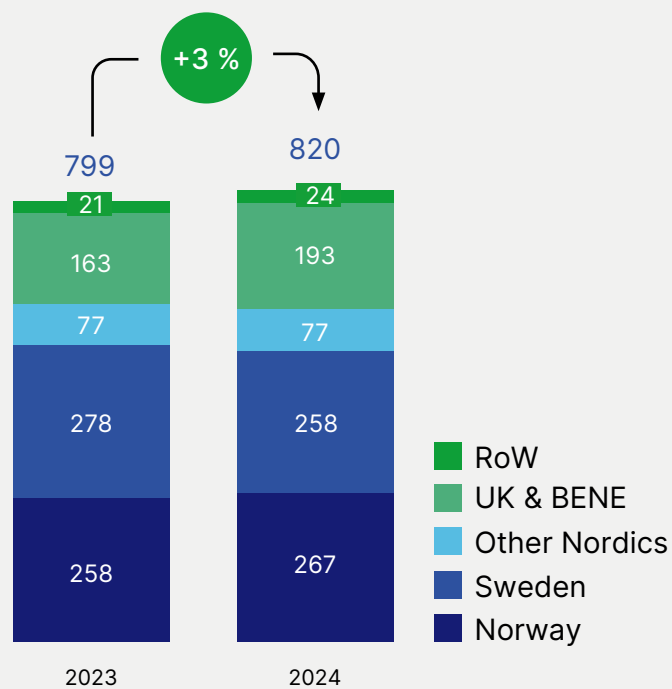
ABAX constitutes the operating entities under ABAX Group AS. All figures in the report are shown under IFRS.



Q4 Revenue, MNOK



2024 Operational Revenue, MNOK



Key figures¹

FS (IFRS) adjust.

Amounts in NOK million	Q4 2024	Q4 2023	Variance % Y-on-Y	Jan-Dec 2024	Jan-Dec 2023	Variance % Y-on-Y
Revenue	202,6	204,9	-1 %	819,8	798,5	3 %
Adjusted EBITDA	75,3	76,0	-1 %	323,4	323,2	0 %
Adjusted EBITDA Margin	37 %	37 %	0 %	39 %	40 %	-1 %
Adjusted Operating Free Cash Flow	82,3	58,8	40 %	204,4	170,8	20 %
Monthly Recurring Revenue	66,5	68,7	-3 %			
Annual Recurring Revenue	798,5	824,7	-3 %			

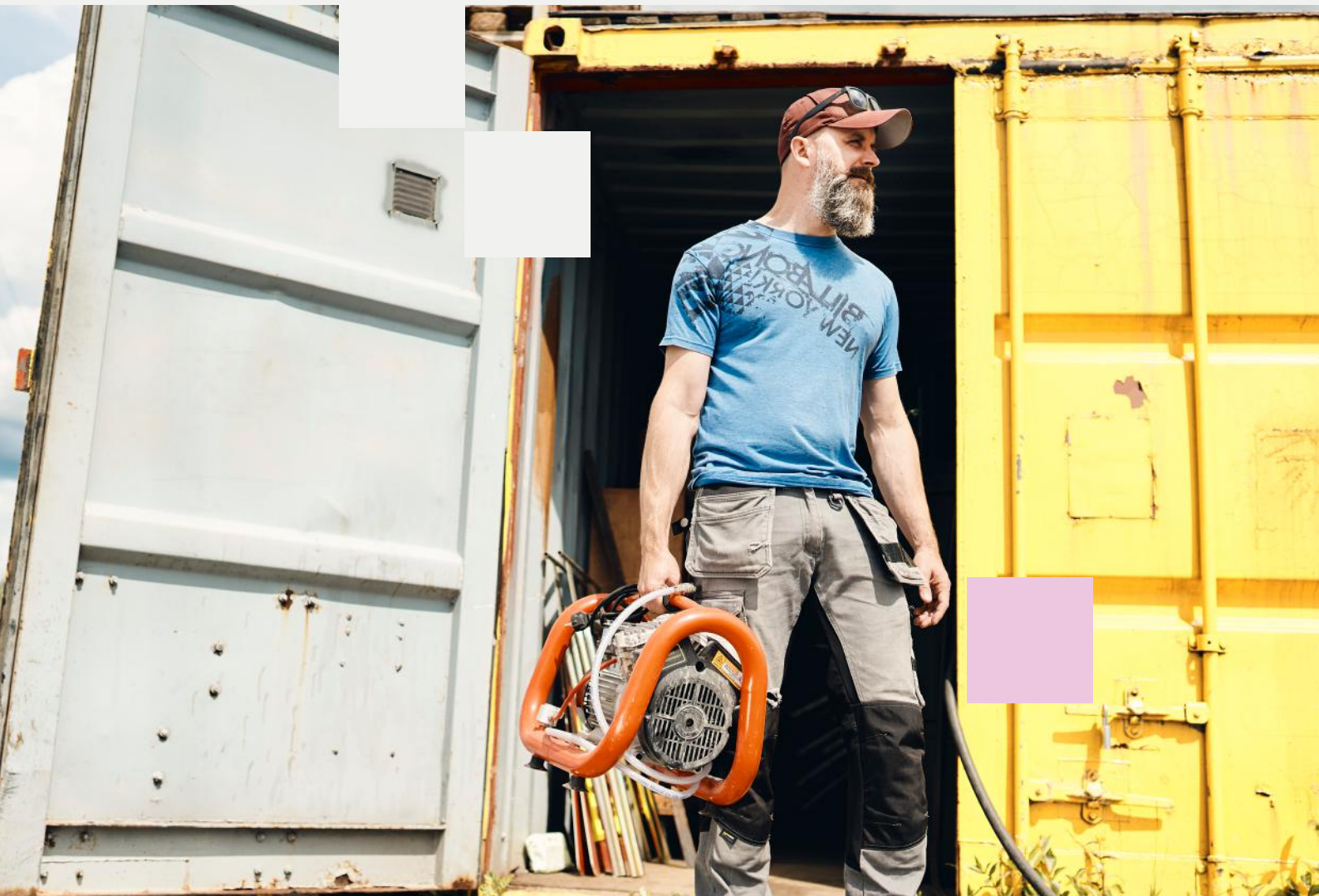
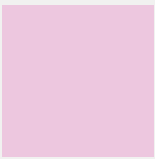
¹Revenue excluding Sweden increased 8 % YoY.

About ABAX

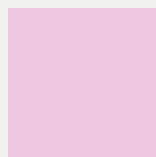
ABAX is a leading European telematics IoT (Internet of Things) platform providing connected mobility solutions for vehicle tracking, asset tracking, and equipment control.

Our mission is to deliver mobility data insights that empower customers to do more with less. We support businesses that rely on field workforces for production, delivery, and maintenance of products, goods, and services. By offering actionable data insights and automated reporting, we help customers optimize physical operations, comply with regulations, and achieve significant operational savings.

With over 500,000 tracked mobile assets and close to 40,000 customers, ABAX has a proven track record of translating customer needs into powerful solutions through our advanced data insights platform.



Fourth quarter commentary and highlights



Emma Dyga, CEO

Our revenue was reduced by 1 % year-over-year to reach 202,6 (204,9) MNOK. Revenue growth excluding Sweden was 4 %. Adjusted EBITDA was 75,3 (76,0) MNOK, 1 % reduction.

The sale of Asset tracking solutions, which represent a cross-selling opportunity to our core Vehicle Tracking customers, continued to grow during Q4. Within our Vehicle Tracking segment, our larger customer segment performed well. These segments will continue to grow into 2025, based on our revised go to market and customer acquisition strategy, although some challenges will remain in the micro segment due to economic weakness impacting our business in Sweden. ABAX's management has launched several initiatives to continue to improve the commercial function to capture the market rebound as it arrives.

The ABAX product development roadmap will continue delivering new and innovative integrations going into 2025 to support our customers in enabling regulatory compliance and making their operations even more efficient.

We have continued with a strong focus on operational efficiencies in Q4 and controlling operating expenses that will lower our cost base during 2025.

For Fair Insurance, the focus in Q4 has been on improving and modernizing the data platform by evaluating 5 new risk scoring providers with an ambition to implement a new vendor during the 1st half of 2025. ABAX customer base represents a significant upsell and cross-sell potential for mobility data services and add-on products, such as Usage-Based Insurance (UBI) and Asset Tracking solutions. Our insurance offering had a record quarter in Q4 resulting in 4,4 MNOK of revenue, which means 2 % of total revenue.

As part of our buy and build strategy, we have continued to pursue add-on acquisitions where they are accretive to our strategic focus and have built an active pipeline of targets. ABAX made an important strategic move with its recent acquisition of Fleet360, strengthening its offering to larger customers. Adding Fleet360's advanced fleet administrative tools to ABAX's growing fleet and asset management product portfolio further enhances our position as a European leader within telematics and smart mobility. By combining ABAX's robust tracking capabilities with Fleet360's advanced analytics, the acquisition is set to deliver powerful synergies focused on sustainability and cost efficiency, further enhancing ABAX's value proposition for enterprise customers.

Greater Than (GT) brought a legal claim against ABAX on 14 October 2024, alleging damages of 182.3 MSEK. ABAX, together with legal and professional advisors, formally responded to the case on 18 December 2024, refuting GT's spurious claim in its entirety. The dispute is pending before the Stockholm District Court, and all filed documents are available on public record.

Financial highlights 2024

Revenue in the fourth quarter amounted to 202,6 (204,9) MNOK representing a decline of 1 % from Q4 2023. Full year 2024 revenue ended at 819,8 MNOK (798,5) MNOK, 3 % growth year-over-year. Excluding Sweden, revenue growth was 8 % from 2023. Annual Recurring Revenue (ARR) declined 3% from December 23 to December 2024, impacted by weak macroeconomics especially in Sweden that resulted in higher churn. ARR increased 1% excluding Sweden.

The average number of subscriptions per customer increased by 8 % from fourth quarter 2023, showing the intended effect of our strategy of addressing larger customers. Our average ARPA has grown by 0,4 % since the last quarter.

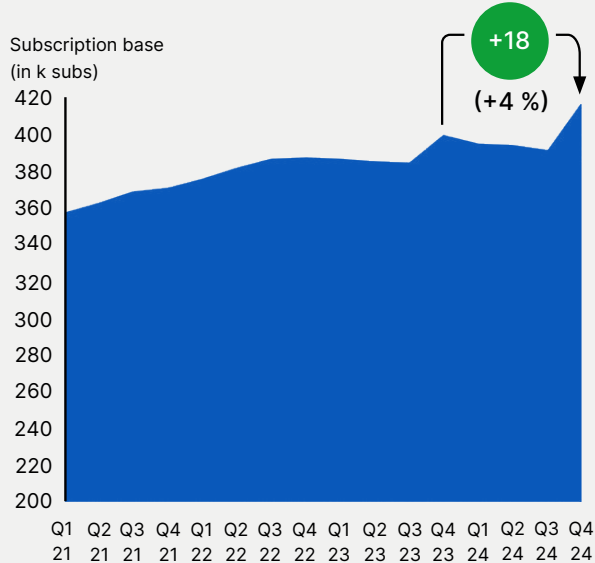
Adjusted Gross Margin at 87 % (87 %) in 2024, a stable development from last year. Despite inflation, we managed to decrease operating cost and keep the strong gross margins across the Group. Adjusted EBITDA for the year is 323,4 MNOK (323,2), 0,2 MNOK increase from last year. The Adjusted EBITDA margin was 39,5 %, compared to 40,5 % in 2023. ABAX has onboarded additional resources during the period leading to higher payroll costs, investing in our Product teams and Mobility Data Services teams as part of our growth trajectory.

2024 employee-related expenses and other operating expenses amounted to 476,2 (401,5) MNOK. However, normalized for non-recurring items we see 3,5 % increase from FY 2023 partly because of inflation and the weak Norwegian currency, but primarily from the acquisition of Movolytics late in Q4 2023 with 12-month impact in 2024. The number of full-time employees stands at 291 (284) at the end of the fourth quarter of 2024.

Adjusted Operating Free Cashflow is 40 % increased from Q4-23 and 20% higher for the full year 2024 due to healthier inventory levels, improved receivables and cash collection and positive effects on accounts payable. Our Days Sales Outstanding (DSO) is also trending down and this KPI has improved by 5 % year-over-year.

Q4 depreciation and amortization amounted to 93,8 (100,5) MNOK, a reduction from finalized amortization of immaterial assets related to technology.

Subscriptions Growth



ARPA
20k NOK
CAGR last
3 years +4 %

of Subscriptions
418 k subs.
+4 % YoY



Liquid funds and cash conversion

At the end of December 2024, ABAX's held 55,8 MNOK of cash. ABAX's cash conversion is driven by the payment frequencies of subscription fees, ranging from monthly/quarterly and yearly in advance, offset by investments in capital expenditures and capitalized R&D. Even though ABAX recognizes subscription revenue monthly, most of the subscriptions are paid either annually, semi-annually, or quarterly.





Leverage

At the end of the fourth quarter the leverage amounted to 2,2 x LTM Dec 24 Adjusted EBITDA. The leverage is calculated according to the table on the right-hand side. This calculation is in line with the definitions agreed in the existing bond terms.

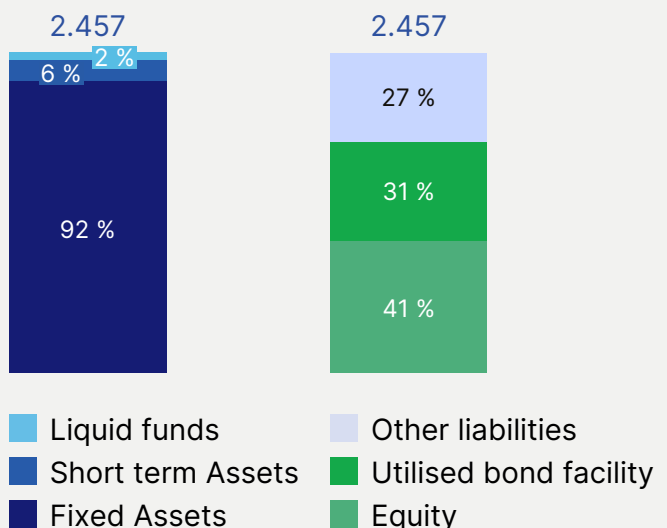
Leverage calculation, NOK million

Utilised bond facility	-766
Cash	55,8
Net debt	-710
LTM Adjusted EBITDA	323
Leverage (Net debt/Adjusted EBITDA)	2,2x

Balance sheet

ABAX's fixed assets amount to 92 % of total assets, of which 87 % refer to intangible assets subject to impairment tests. Management believes that these assets provide a solid foundation to drive future profitability and growth. We continue to show a strong Balance Sheet with an Equity Ratio of 41 %. The external interest-bearing loans amounted to 859,2 MNOK, of which 766,3 MNOK refer to utilized bond facility and 92,9 MNOK refer to our financial lease liability under IFRS 16.

Balance sheet, MNOK



Products and technology

In 2024 ABAX fully transitioned to the product operating model, marking a strategic shift in the approach to delivering value to customers, emphasizing streamlined processes and enhanced efficiency. By implementing this model, ABAX will optimize resource allocation, improve product development cycles, and ultimately bolster its competitive edge in the market. The transition to the product operating model reflects ABAX's commitment to embrace product-led as a growth strategy, and focused innovation and responsiveness to evolving customer needs.

ABAX acquired Fleet360 during the fourth quarter. This strategic move marks a significant milestone in our journey to become the leading provider of comprehensive fleet management solutions. This is also a significant milestone since we are acquiring a company to expand our product portfolio with a complementary product that monetizes our data, and to gain another product development team onboard. The multi-year partnership with Fleet360 has already proven successful, serving over 50 large joint customers, and demonstrating the power of our combined offering. Now, we are taking that partnership to the next level by fully integrating our teams and technologies.

During the quarter ABAX introduced several innovative solutions, further cementing its position as a customer centric technology leader. These initiatives spanned across multiple business areas, each tailored to address specific customer needs and enhance overall user experience. New Self-Service features around subscription and invoice management have been rolled out empowered users with greater autonomy. Investing in non-linear growth is a key strategy going forward, and a product team has been dedicated to Partner integrations, starting with improving current integrations with Minuba, Smartcraft and others. Finally, among platform-wide improvements, the beta program for Single Sign-On (SSO) leveled up and includes more than 1000 interested customers.

For Fair Insurance, we are increasing innovation around the platform's quality and reliability. The focus in Q4 was on improving and modernizing the data platform by evaluating 5 new risk scoring providers with an ambition to implement a new vendor during the 1st half of 2025.

These advancements showcase ABAX's commitment to continuous improvement, ensuring the delivery of impactful solutions that address real-world challenges while laying a robust foundation for future growth.





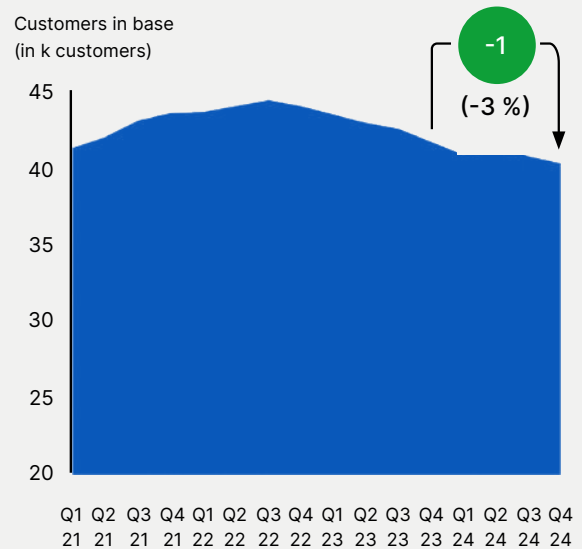
Commercial and customers

ABAX supports businesses that rely on field workforces for production, delivery, and maintenance of products, goods, and services. By offering actionable data insights and automated reporting, we help customers optimize field operations, comply with regulations, and achieve significant operational savings.

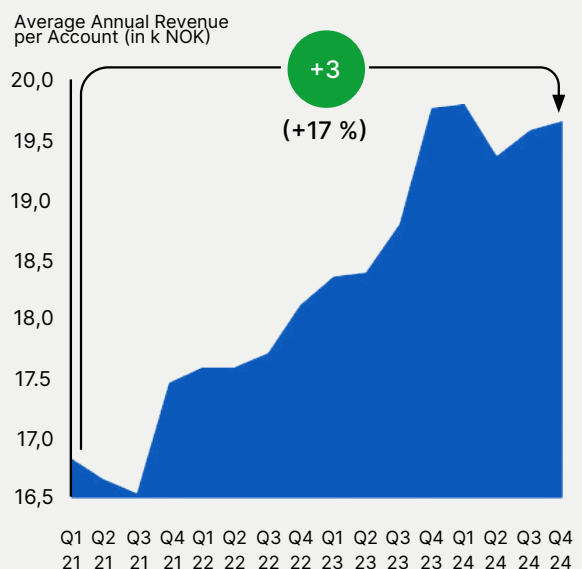
ABAX's diverse and large customer base exhibits strong loyalty, with an average customer lifetime of approximately eight years. Although the total number of customers has decreased by 3 % since Q4-23, the number of subscriptions has increased by 4 % over the same period, indicating an increase in the average customer size. This trend is largely due to significant growth in our large account segment, which is a key commercial focus of the business going forward. Conversely, smaller customers naturally experience higher churn rates, due to current macro headwinds, for example in the Swedish construction sector.

ABAX base represents a significant upsell and cross-sell potential for mobility data services and add-on products, such as Usage-Based Insurance (UBI) and Asset Tracking solutions. In Q4-24 our insurance products resulted in 4,4 MNOK of revenue, which means 2 % of total revenue. Asset Tracking products resulted in 21,5 MNOK revenue for Q4-24, 11 % of total revenue, an increase of 1pp from Q4-23. A key strategic goal for ABAX is to focus more on Asset Tracking solutions and great to see this product area improving.

Customer Growth



ARPA Development



Sustainability

ABAX is striving to become not just a sustainable, but a regenerative business. With our origins in Norway, surrounded by unique fjords and forests, it is no wonder that we believe that businesses have a part to play in protecting the environment in which they operate. Our approach is focused both on our own regenerative improvement, but also that of helping our customers reach their sustainability goals.

In Q4 2024, we continued to map out our supply chain, separating our value chain's corporate carbon footprint, and our product carbon footprint. This allows us to make decisions in different parts of our supply chain and organization with a measured approach.

We continue to choose relevant and engaging themes for corporate giving. 2024 our chosen charity was 'Plan International', which is a charity dedicated to advancing children's rights and equality for girls worldwide, striving to create sustainable futures for young people. Our Products are also developed to enable our fleet customers to have a clearer awareness of their impact on the world through our reporting mechanisms. This is an extremely exciting development, which will place us solidly at the forefront of sustainable mobility.

The 2023 Sustainability report is finalized and available at <https://www.abax.com/investor-relations>

The Norwegian Transparency Act came into effect in June 2022. It requires that companies carry out due diligence activities that will ensure they are operating responsibly, respecting human rights and decent working conditions. The 2024 Human Rights Due Diligence report is issued at <https://www.abax.com/investor-relations>.

Preparations towards the Corporate Sustainability Reporting Directive, (Directive 2022/2464/EU) CSRD has already commenced for 2025. The CSRD, enacted by the European Union, requires us to enhance our reporting on environmental, social, and governance (ESG) matters. The regulation aligns with our organizational goals of fostering a sustainable business model, contributing to a low-carbon economy, and addressing the requirements for enhanced transparency. As we progress toward compliance with the CSRD, we will be integrating relevant sustainability metrics and disclosures into our reporting framework to reflect our commitment to responsible governance and sustainable growth.





Risk

The operations of ABAX Group AS are exposed to several financial risks such as market risks (currency risk and interest risk), credit risk and liquidity risk.

The group aims to minimize potential adverse effects of these risks on the group's financial results. The group's exposure to currency risk consists primarily of transactions taking place in foreign currencies between subsidiaries of ABAX. The company does not use derivative instruments to reduce currency risks at present.

Since ABAX Group AS in June 2020 issued a senior secured bond for a total amount of 1,000 MNOK, the company is exposed to interest rate trends. The bond terms give the investors a yield of NIBOR 3M + 6.15 %. The current bond expires in June 2025 and we successfully placed SEK 900 million of new senior secured bonds in January 2025. The net proceeds from the bond issue have been used to refinance the Company's existing NOK 1,000 million senior secured bonds.



Transactions with related parties

ABAX Group AS is the senior operating company in the group. Closely related parties consist of all subsidiaries and senior executives in the group and their closely related parties. Transactions take place in market terms. The extent and nature of transactions with related parties in the period is consistent with previous year's transactions with related parties, as described in the 2023 annual report.

Responsibility statement

We confirm to the best of our knowledge that the condensed consolidated set of financial statements for the period 1 January to 30 December 2024, has been prepared in accordance with IAS 34 – interim Financial Reporting, and gives a true and fair view of the Group's assets, liabilities, financial position and result for the period viewed in their entirety, and that the interim management report, to the best of knowledge, includes a fair review of any significant events that arose during the twelve-month period and their effect on the financial report, any significant related parties transactions, and a description of the principal risks and uncertainties of the year.

This interim report has not been subject to external audit.

Larvik, 28 February 2025

Emma Dyga – CEO

John Ole Moe – CFO

Condensed consolidated statement of profit and loss

	Note	Unaudited Fourth quarter	Unaudited	Unaudited Year	Audited Year
Amounts in NOK thousand		2024	2023	2024	2023
Operational Revenue	Note 3	202,580	204,892	819,771	798,549
Total Revenue		202,580	204,892	819,771	798,549
OPERATING EXPENSES					
Cost of hardware and services		29,306	14,829	118,838	102,890
Employee benefit expenses		81,715	78,092	282,505	255,937
Other operating expenses		43,058	34,716	179,856	123,413
Impairment loss on trade and other receivables		4,126	5,902	13,866	22,195
Depreciation		21,707	22,752	87,546	77,083
Amortization		72,129	77,786	255,769	294,753
OPERATING PROFIT(+)/LOSS(-)		(49,461)	(29,185)	(118,609)	(77,721)
FINANCIAL ITEMS					
Finance income		2,433	6,816	18,621	45,741
Finance expenses		(34,249)	(19,048)	(106,039)	(103,535)
TOTAL NET FINANCIAL ITEMS		(31,817)	(12,232)	(87,418)	(57,793)
PROFIT(+)/LOSS(-) BEFORE TAX		(81,277)	(41,417)	(206,027)	(135,515)
Tax income (+) / expense (-)		2,710	17,133	4,641	17,133
PROFIT(+)/LOSS(-) FOR THE PERIOD		(78,567)	(24,285)	(201,386)	(118,382)

Consolidated statement of comprehensive income

	Fourth Quarter		January - December		Year
	2024	2023	2024	2023	2023
PROFIT(+)/LOSS(-) FOR THE PERIOD	(78,567)	(24,285)	(201,386)	(118,382)	(118,382)
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS					
Foreign currency translation differences	8,781	(2,179)	(12,624)	26,469	26,469
TOTAL ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	8,781	(2,179)	(12,624)	26,469	26,469
OTHER COMPREHENSIVE INCOME, NET OF TAX	8,781	(2,179)	(12,624)	26,469	26,469
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(69,786)	(26,464)	(214,010)	(91,913)	(91,913)

Condensed consolidated statement of financial position

	Unaudited	Audited
Amounts in NOK thousand	31.12.2024	31.12.2023
NON-CURRENT ASSETS		
Property, plant and equipment	228,285	230,451
Intangible assets and goodwill	1,958,341	2,093,341
Deferred tax assets	34,206	27,838
Other investments, including derivatives	5,927	5,927
Non-current interest-bearing receivables	26,582	15,969
TOTAL NON-CURRENT ASSETS	2,253,340	2,373,527
CURRENT ASSETS		
Inventories	31,041	29,301
Current tax assets	2,390	4,300
Trade and other receivables	113,345	126,785
Contract assets	837	2,595
Cash and cash equivalents	55,834	156,012
TOTAL CURRENT ASSETS	203,447	318,993
TOTAL ASSETS	2,456,787	2,692,520
EQUITY		
Share capital	42,959	42,959
Share premium	1,817,821	1,817,821
Retained earnings	(786,232)	(558,293)
Other reserves	(57,951)	(45,327)
TOTAL EQUITY	1,016,598	1,257,160
NON-CURRENT LIABILITIES		
Financial liabilities and lease liabilities	78,249	833,228
Deferred tax liabilities	161,149	159,484
Other non-current liabilities, not interest bearing	12,894	21,098
TOTAL NON-CURRENT LIABILITIES	252,292	1,013,809
CURRENT LIABILITIES		
Trade and other payables	173,503	149,767
Contract liabilities	100,995	120,307
Current tax liabilities	2,347	34,246
Loans and borrowings	911,052	117,233
TOTAL CURRENT LIABILITIES	1,187,897	421,553
TOTAL LIABILITIES	1,440,189	1,435,362
TOTAL EQUITY AND LIABILITIES	2,456,787	2,692,520

Condensed consolidated statement of cash flow

	Unaudited January - December	Audited Year
Amounts in NOK thousand	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT (+)/LOSS(-) FOR THE PERIOD	(201,386)	(118,382)
Adjustments for:		
- Depreciation	87,546	77,083
- Amortisation	255,769	294,753
- Net finance costs	87,418	57,793
- Tax income (-) / expense (+)	(4,641)	(17,133)
Cash flow before changes in working capital, interest and tax	224,706	294,114
Changes in:		
- Inventories	(1,740)	(7,246)
- Trade and other receivables	16,041	13,553
- Trade and other payables	(12,401)	(53,235)
- Contract assets/liabilities	16,838	17,205
- Other movements	(6,758)	6,095
Cash flow before interest and tax	236,686	270,486
Income taxes paid	(18,379)	(10,555)
CASH FLOW FROM OPERATING ACTIVITIES	218,307	259,931
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Movolytics, net of cash	-	(46,074)
Acquisition of RA Forsikring AS, net of cash	(26,984)	-
Acquisition of Fleet360, net of cash	(20,334)	-
Acquisition of property plant and equipment	(71,353)	(65,916)
Acquisition of intangible assets	(77,397)	(72,744)
CASH FLOW FROM INVESTING ACTIVITIES	(196,068)	(184,734)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(83,840)	(83,615)
Interest received	-	354
Proceeds from realization of interest swap	-	25,220
Loans to related parties	(13,124)	-
Payment of lease liabilities	(29,336)	(29,950)
CASH FLOW FROM FINANCING ACTIVITIES	(126,300)	(87,991)
NET INCREASE (+)/DECREASE (-) IN CASH AND CASH-EQUIVALENTS	(104,061)	(12,794)
Cash and cash-equivalents beginning of period	156,011	160,753
Currency effect of cash and cash equivalents	3,884	8,052
CASH AND CASH-EQUIVALENTS END OF PERIOD	55,834	156,011

Condensed consolidated statement of changes in equity

Year 2023	Attributable to shareholders of ABAX Group AS					
Amounts in NOK thousand	Share capital	Share premium	Total paid-in capital	Retained earnings	Translation reserve	Total equity
Ingoing balance 1 January 2023	42,959	1,817,821	1,860,780	(439,765)	(71,797)	1,349,218
Total comprehensive income for the period 01.01.23 - 31.12.23						
Loss for the period				(118,382)		(118,382)
Other comprehensive income for the period					26,469	26,469
				(118,382)	26,469	(91,913)
Transactions with owners of the Company						
Group contribution to ABAX MidCo AS				(45)		(45)
Group contribution ABAX Invest				(100)		(100)
Totals Transactions with owners	-	-	-	(145)	-	(145)
Balance as of 31 December 2023	42,959	1,817,821	1,860,780	(558,293)	(45,328)	1,257,160
January - December 2024	Attributable to shareholders of ABAX Group AS					
Amounts in NOK thousand	Share capital	Share premium	Total paid-in capital	Retained earnings	Translation reserve	Total equity
Ingoing balance 1 January 2024	42,959	1,817,821	1,860,780	(558,293)	(45,328)	1,257,160
Total comprehensive income for the period 01.01.24 - 31.12.24						
Loss for the period				(201,386)		(201,386)
Other comprehensive income for the period					(12,624)	(12,624)
				(201,386)	(12,624)	(214,010)
Transactions with owners of the Company						
Group contribution to ABAX MidCo AS				(21,901)		(21,901)
Group contribution ABAX Invest				(4,652)		(4,652)
Totals Transactions with owners	-	-	-	(26,552)	-	(26,552)
Balance as of 30 September 2024	42,959	1,817,821	1,860,780	(786,232)	(57,951)	1,016,598



Notes

Note 1: General Information

ABAX Group AS (“the Company”) and its subsidiaries (together “the Group”) has its headquarters and registered office at Hammergeata 20, 3264 Larvik, Norway.

The interim condensed consolidated financial statements for the fourth quarter 2024, ending 31. December 2024 was prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s 2023 annual report.

The consolidated financial statements of profit and loss are converted to NOK by using monthly average exchange rates as reported by Norges Bank.

The consolidated financial statement of financial position is converted to NOK by using ending rates as reported by Norges Bank.

Note 2: Segment reporting

The group recognizes only a single segment in accordance with the definition of operating segment in IFRS 8. The starting point for identifying operating segments on which separate information can be provided are the internal reports to and monitoring by the group management. The group management monitors operating income for the entire business as one operating segment.

Note 3: Revenue

ABAX has business areas as operating segments. The operating segments correspond to how the business areas report figures to the Group executive management (key decision maker). In the following table, revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition.

Amounts in NOK thousand	Fourth quarter		January-December	
	2024	2023	2024	2023
Primary geographical markets				
Norway	67,206	64,923	267,085	258,327
Sweden	63,126	71,352	258,115	278,434
Other Nordics	18,969	20,378	77,335	76,932
UK & BENE	48,480	42,524	193,263	163,386
Rest of World	4,798	5,714	23,972	21,470
Revenue	202,580	204,892	819,771	798,549
Major products/service lines				
Vehicle Tracking	176,722	183,533	725,055	716,746
Asset tracking	21,493	21,359	84,860	81,803
Mobility Data Services	4,365	-	9,856	-
Revenue	202,580	204,892	819,771	798,549
Timing of revenue recognition				
Products transferred at a point in time	4,651	3,453	18,822	13,458
Products and services transferred over time	197,929	201,439	800,949	785,091
Revenue	202,580	204,892	819,771	798,549
Revenue type				
Operational revenue	202,580	204,892	819,771	798,549
Total revenue	202,580	204,892	819,771	798,549



Note 4: Pro-Forma Financials

<i>Amounts in NOK thousand</i>	ABAX Group (financials from date of acquisiton)	RA Forsikring pre-acquisition (1.1.24-20.5.24)	Fleet360 pre-acquisition (1.1.24-30.11.24)	Pro-Forma Financials ABAX Group (1.1.24- 31.12.24)
Operational revenue	819,771	6,798	10,857	837,426
Operating profit (+)/Loss (-)	294,114	3,130	(31)	297,213
Profit (+)/Loss (-) before tax	(135,515)	3,120	(131)	(132,525)
Profit (+)/Loss (-) for the period	(118,382)	2,434	(104)	(116,052)

<i>Amounts in NOK thousand</i>	2024 RA Forsikring Pre-acquisition (1.1.24-30.5.24)	2024 RA Forsikring Post-acquisition (1.6.24- 31.12.24)	2024 RA Forsikring Pro-Forma Full year (1.1.24- 31.12.24)
Operational revenue	6,798	9,632	16,430
Operating profit (+)/Loss (-)	3,130	4,537	7,667
Profit (+)/Loss (-) before tax	3,120	4,600	7,720
Profit (+)/Loss (-) for the period	2,434	4,600	7,034

<i>Amounts in NOK thousand</i>	2024 Fleet360 Pre-acquisition (1.1.24-30.11.24)	2024 Fleet360 Post-acquisition (1.12.24- 31.12.24)	2024 Fleet360 Pro-Forma Full year (1.1.24- 31.12.24)
Operational revenue	10,857	872	11,729
Operating profit (+)/Loss (-)	(31)	(22)	(53)
Profit (+)/Loss (-) before tax	(131)	(50)	(181)
Profit (+)/Loss (-) for the period	(104)	(50)	(154)

Note 5: Acquisition of Fleet360 (Preliminary)

On 12 December 2024, ABAX Sweden AB ("ABAX") acquired 100 % of shares in Fleet Consulting AB, including its subsidiaries ("Fleet360"). The transaction perimeter includes Fleet Consulting AB and its two subsidiaries, Total Software Solutions i Norden AB and Fleet Consulting Stockholm AB. All entities are registered in Sweden. Fleet360 was founded in 2015 in Sweden and specializes in fleet administration solutions. The Group has 7 employees and 2 external consultants where the majority are engaged in development / tech and customer service responsibilities. Fleet360 had a base of 30,6 k subscriptions at point of acquisition with a monthly recurring base of 0,9 MNOK (ARR of 11,9 MNOK).

The amounts recognized at the date of acquisitions in respect of identifiable assets acquired and liabilities assumed are set out in the table below. The items are translated to the presentation currency at transaction date.

The consideration for the shares is comprised of a cash consideration of 24,0 MNOK and an earn-out element. The cash consideration was settled in cash on closing (12 December 2024). The earn-out payment of up to 600 TSEK (608 TNOK) is contingent upon the company achieving consolidated net sales of 11 200 TSEK (11 358 TNOK) for the financial year 2025. The target revenue is considered likely to be achieved and the earnout is expected to be paid in full.

Goodwill from the acquisition of Fleet360 are attributable to geographical presence, technical expertise and synergies. Goodwill in the acquisition of Fleet360 is all allocated to ABAX Group level and is not tax deductible. Acquisition costs of 0.3 MNOK arose as a result of the transaction. These have been recognized as part of other operating expenses in the statement of comprehensive income.

Amounts in NOK thousand	
Purchase consideration	
Cash consideration	24,500
Present value of earnout	546
Total purchase consideration	24,500
Customer relationship	2,142
Technology	2,706
Property, plant and equipment	176
Trade and other receivables	2,422
Cash and cash equivalents	3,620
Deferred tax liability	(857)
Tax payable	45
Trade payables and other current liabilities	(2,296)
Total net identifiable assets acquired at fair value	7,958
Consideration	24,500
Goodwill	16,542
Net cash outflow arising on acquisition	
Cash consideration	23,954
Less:	
Cash and cash equivalent balances acquired	(3,620)
Net cash outflow arising on acquisition	20,334

Note 6: Impairment loss of other intangible assets

Due to the termination of the contract with Greater Than, a write-down of 19,7 MNOK has been initiated in Q4-2024. The write-down is attributable to GT's historical over-invoicing, quality deficiencies in the services provided by GT, and the savings achieved through the agreement with the new supplier compared to the previous remuneration paid to GT.

Note 7: Subsequent events

On 6 February 2025, GT filed another lawsuit against ABAX, claiming damages of 650 MSEK plus interest and compensation for legal costs regarding an alleged IP infringement. ABAX has reviewed this second lawsuit with its legal advisors and hold it to be manifestly unfounded.





Alternative Performance Measures (APM)

EBITDA (Earnings before interest, tax, depreciation and amortisation)

Management has presented the performance measure EBITDA because it monitors this performance measure at a consolidated level, and it believes that this measure is relevant to an understanding of the Group's financial performance. EBITDA is calculated by adjusting profit from continuing operations to exclude the impact of taxation, net finance costs, depreciation, gains and losses from divestments, amortisation related to goodwill, intangible assets, property, plant and equipment. EBITDA is not a defined performance measure under IFRS. The Group's definition of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities.

Non-recurring items (NRIs)

A non-recurring item is an infrequent or abnormal gain or loss that is reported in the companies' financial statements. Unlike other items reported by a company, non-recurring items do not arise from the normal company's operations. The items are generally caused by unusual and infrequent events.

Non-recurring Items relating to:	Fourth quarter		January - December	
Amounts in NOK thousand	2024	2023	2024	2023
Exceptional payroll related cost	22,421	4,453	33,824	9,790
Advisory, legal and start-up cost (OPEX)	7,565	9,591	55,171	17,675
Data analytics start-up cost and hardware NRI (COGS)	903	-9,391	9,748	1,600
Total non-recurring items (NGAAP)	30,889	4,653	98,743	29,065
Stay-on bonus Movolytics acquisition (IFRS)	0	0	0	0
Total non-recurring items (IFRS)	30,889	4,653	98,743	29,065

Bridge from Statutory reported Financials to Alternative Performance Measure - Adjusted EBITDA

	Fourth quarter		January - December	
Amounts in NOK thousand	2024	2023	2024	2023
Operating profit (+)/Loss(-)	(49,461)	(29,185)	(118,609)	(77,721)
Depreciation	21,707	22,752	87,546	77,083
Amortization	72,129	77,786	255,769	294,753
Non-recurring items (NRI's)	30,889	4,653	98,743	29,065
Adjusted EBITDA	75,264	76,005	323,449	323,179

Adjusted EBITDA

Q4 2024 - The adjusted EBITDA measure is based on EBITDA and adjusted for Revenue and non-recurring items as described above.

Adjusted EBITDA margin

The adjusted EBITDA margin measures the profitability of operational performance and is calculated from adjusted EBITDA divided by Revenue.

LTM Adjusted EBITDA

Shows the last twelve months Adjusted EBITDA.

Adjusted Operating Free Cash Flow

Adjusted Operating Free Cash Flow is calculated as: Adjusted EBITDA less Capitalized Expenses and adjusted for change in Net Working Capital.

Monthly Recurring Revenue (MRR)

Monthly Recurring Revenue from subscriptions and add-on services measured by actual FX rates.

Annual Recurring Revenue (ARR)

Annual Recurring Revenue = $MRR * 12$ months.

Average Revenue per Account (ARPA)

Annual revenue per customer/account. $ARR \text{ base} / \text{Number of single customers}$.



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