

Infor (Norge) AS

Annual Report

Fiscal Period 2023
(year ended 31 December 2023)

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Directors' Report

General

The Company is a provider of enterprise business applications software and services in Norway, with a number of offices across the country.

The annual report for the fiscal period 2023 covers the year ended 31 December 2023, the comparative period covers the year ended 31 December 2022.

Presentation of Financial Statements - Profit and Equity

The financial statements are prepared on the going concern assumption. It is the opinion of the board that the financial statements provide a fair view of the company's position as at 31 December 2023 and of the year ended 31 December 2023.

The company's revenue for the year from 1 January 2023 to 31 December 2023 was NOK 368 million compared to NOK 355 million in the prior period. An operating loss of NOK 10 million was recorded against an operating loss of NOK 8 million in the previous financial period. The operating loss is partly due to the change in product mix as a result of moving towards a SaaS business, and also partly due to a reduction in profitability of the services business. This has led to a fall in operating profit.

The balance sheet as at 31 December 2023 shows a total asset value of NOK 589 million, this is slightly higher than the previous year (NOK 587 million).

The company's profit after tax for the year ended 31 December 2023 amounted to TNOK 14 549. The allocation of the net income is proposed as follows:

To other equity	TNOK 14 549
Total allocated	TNOK 14 549

Financing

At the balance sheet date, the solvency ratio amounted 0.67 (31.12.2022: 0.64) and the liquidity ratio amounted 2.97 (31.12.2022: 2.79).

Net cash has only decreased by TNOK 4 217, this is mainly due to trading and movement in working capital.

The company's principal financial instruments comprise cash and cash equivalents, other receivables, accounts payable and loans. Interest rate risk is considered low since the company has no external debt.

Board liability insurance

there is no separate director's liability insurance.

Employees, environment and gender equality

As of 31 December 2023, there were 95 people employed in Infor (Norge) AS, of which 23 were women. The corresponding figure for 31 December 2022 was 98 employees including 22 women. For the next financial year and going forwards we do not anticipate significant changes in employees. The working environment in the company is good. The company does not pollute the environment. The company will identify possible environmental measures, through cooperation and working with employees.

Sick leave in the year to 31 December 2023 was 558 days, which equates to 2.55%. The corresponding figure for the year to 31 December 2022 was 520 days and 1.79%. During the year there were no injuries or major damage to the company's assets.

The Board is aware of the social expectations of measures to promote gender equality and the company strives for equal treatment of women and men. Among senior executives, there were 3 males as at 31 December 2023. The three board members are men.

The company has issued a report on how it respects fundamental human rights and decent working conditions, it can be found [here](#).

The company has also issued a statement about the status of gender equality, and its duties and processes in accordance with the Equality and Anti-Discrimination Act, it can be found [here](#).

Principal risks and uncertainties

The principal risks and uncertainties which are directly or indirectly common to the group and the company are: Economic, political and market conditions can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability.

Our business is influenced by a range of factors that are beyond our control and that we have no comparative advantage in forecasting. These include:

- general economic and business conditions,
- the overall demand for enterprise software, hardware systems and services,
- general political developments, and
- currency exchange rate fluctuations.

Subsequent events

In April 2024 the Board has declared an additional dividend of NOK 282 839 935 which is based on the latest approved annual report dated 31 December 2022.

The Board is not aware of any occurrences after the year end which could impact either the company's financial position as at 31 December 2023, or the results for the year ended 31 December 2023.

Shareholders

Infor (Sweden) AB owns 1 284 071 shares. This represents 100% of the shares. No director owned any shares.

Going concern

The directors have considered the group's strategy and, based on the responses to their enquiries, the directors, at the time of approving the financial statements, have determined that there is reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Outlook

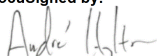
The company operates in a highly competitive market for both customers and employees. The group intends to continue to invest in the Norwegian market and it is the Board's opinion that future prospects are good.

Lysaker, 21 May 2024


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Marcel Gijtenbeek
Managing Director / Board member

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Andre P Hylton
Board Member

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Ilja Giani
Chairman / Board Member

Financial Statements

Income Statement

	Note	01.01.2023 - 31.12.2023 NOK'000	01.01.2022 - 31.12.2022 NOK'000
Revenue	1, 2	367,984	354,512
Total operating revenue		367,984	354,512
Cost of sales		-178,468	-183,949
Wages and salaries	3, 4	-132,800	-122,235
Depreciation/amortisation of assets	5	-808	-2,503
Other operating expenses	6	-66,242	-54,258
Total operating costs		-378,318	-362,945
Operating (loss)/profit		-10,334	-8,433
Interest income from group companies		0	7,193
Other interest income		18,537	364
Other financial income	7	10,663	40,026
Other interest expense		0	-1,189
Other financial expenses		-1	-2
Total financial items		29,199	46,392
Profit before tax		18,865	37,959
Tax on operating result	8	-4,316	-8,449
Profit after tax		14,549	29,510
Allocation of profit			
Transferred to other reserves		14,549	29,510
Total profit		14,549	29,510

Balance Sheet**Assets**

	Note	31.12.2023 NOK'000	31.12.2022 NOK'000
Intangible assets			
Deferred tax asset	8	1,753	1,939
Total intangible assets		<u>1,753</u>	<u>1,939</u>
Fixed assets			
Fixtures and equipment	5	2,049	1,730
Total fixed assets		<u>2,049</u>	<u>1,730</u>
Financial fixed assets			
Pension assets		3	16
Total Financial fixed assets		<u>3</u>	<u>16</u>
Total fixed assets		3,805	3,685
Current assets			
Accounts receivable		68,648	71,370
Receivables from group companies	9	7,232	5,122
Other receivables		36,996	30,398
		<u>112,876</u>	<u>106,890</u>
Bank deposits	10	472,658	476,875
Total current assets		585,534	583,765
Total assets		<u>589,339</u>	<u>587,450</u>

Balance Sheet**Equity and Liabilities**

	Note	31.12.2023 NOK'000	31.12.2022 NOK'000
Equity			
Paid in capital			
Share capital		25,681	25,681
Share premium		68,552	68,552
Other paid-in capital		855	855
Total paid-in capital		95,088	95,088
Retained earnings			
Retained earnings		282,840	253,330
Current year profit and loss		14,549	29,510
Total retained earnings		297,389	282,840
Total equity	11	392,477	377,928
Liabilities			
Long term liabilities			
Provision for liabilities		17	41
		17	41
Current liabilities			
Accounts payable		1,229	2,349
Tax payable		4,131	8,067
Official taxes and duties		13,276	12,248
Debt to group companies	9	26,147	36,002
Other current liabilities	12	152,062	150,815
		196,845	209,481
Total liabilities		196,862	209,522
Total equity and liabilities		589,339	587,450

Lysaker, 21 May 2024

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Marcel Gijtenbeek

Managing Director / Board member

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Andre P Hylton
Board Member

DocuSigned by:



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Ilja Gian
Chairman

Cash Flow Statement

	Note	01.01.2023 - 31.12.2023 NOK'000	01.01.2022 - 31.12.2022 NOK'000
Cash flows from operating activities			
Profit before tax		18,865	37,959
Depreciation	5	808	2,503
Corporation tax paid		-8,067	-10,134
Change in accounts receivable		2,722	-32,264
Change in accounts payable		-1,120	934
Changes in intercompany debts		-9,855	8,818
Change in intercompany receivables		-2,110	825
Loss on disposal of fixed assets		31	0
The difference between the cost / benefit pension and payments to pension plans		13	-16
Change in other accruals		-4,322	82,176
Net cash flow from operating activities		-3,035	90,801
Cash flow from investing activities			
Purchase of tangible fixed assets	5	-1,158	-518
Net cash flow from investing activities		-1,158	-518
Cash flow from financing activities			
Long term debt		-24	-24
Long term receivable		0	0
Short term debt		0	0
Net cash flow from financing activities		-24	-24
Net change in cash and cash equivalents		-4,217	90,259
Cash and cash equivalents at beginning of period	10	476,875	386,616
Cash and cash equivalents at end of period	10	472,658	476,875

Notes to the Financial Statements

The financial statements as at 31 December 2023 include Statement of Income and Cash Flow Analysis for the year ended 31 December 2023, the Balance Sheet at 31 December 2023 and the related notes.

Accounting Principles

The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting principles in Norway.

Use of estimates

The preparation of financial statements in accordance with accounting standards requires the use of estimates. It also requires the company to follow its accounting principles and requires management to exercise judgment. The areas involving a high degree of discretionary judgment, have a high degree of complexity, or are areas where assumptions and estimates are significant to the financial statements are described in the notes.

Revenue

Revenue consists of a) revenue derived from other group companies and, in the prior year; cost reimbursement from the IP owner, and b) license, support and services income directly from customers.

The majority of revenue derived from other group companies and cost reimbursement from the IP owner is recognised when the work is performed, the remainder is recognised when it is invoiced to the company. License revenue is generally recognised when delivered. If there is a significant uncertainty about the project completion or receipt of payment for the services, revenues are deferred until the uncertainty is sufficiently resolved.

Support revenue is recognised evenly over the term of the agreement.

Services income directly from customers are recognised as the services are provided.

Short-term receivables and payables

Current assets and liabilities include items due within one year.

Assets and liabilities denominated in foreign currency

Assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling on the balance sheet date. Exchange gains or losses on translation are taken to the profit and loss account when incurred. They are reported under 'other financial expenses'.

Accounts receivable

Accounts receivable are recorded in the balance sheet after deduction of provisions for possible losses on receivables.

Fixed assets

Tangible assets are stated at historic cost less depreciation. Depreciation is calculated on a straight-line basis over the economic life. The current year's depreciation is included in operating costs in the Statement of Income.

Intangible assets

Goodwill represents the difference between the fair value of consideration paid and the fair value of net assets acquired on the purchase of businesses. Customer relationships represents the value to the business of an acquired customer base. Intangible assets are stated at cost less provision for impairment and are amortised on a straight-line basis over their estimated useful economic life, which in both cases is 5 years, being the period expected to benefit from the asset. The intangible assets are reviewed at the end of each year to determine if the carrying value exceeds their fair value, if this is the case then the asset is written down to its fair value.

Pension obligations and pension costs

The company operates a defined contribution scheme for existing employees. Net assets/(liabilities) relating to the scheme are held separately.

The company is obliged to follow the Act on mandatory occupational pensions. The company's pension scheme meets the legal requirements.

Taxes

Tax is calculated on the basis of accounting profit adjusted for permanent and temporary differences. It includes current and deferred tax. Deferred tax is calculated on the basis of all positive differences between accounting and tax and negative differences that reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against the temporary differences which can be offset against this income. If the criteria for capitalization are not met, deferred tax assets are written down.

Bank Deposits

Cash and bank deposits are classified as cash equivalents in the balance. Short-term liquid investments with maturity less than 3 months from the date of acquisition, cash equivalents are classified as cash equivalents in the balance.

Cash Flow Analysis

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments.

1. Revenue by business segment

		01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
	Note	NOK'000	NOK'000
Intercompany license, support and services income directly from customers	2	23,977	20,879
		344,007	333,633
Total revenue		367,984	354,512

2. Related party transactions

During the year the company entered into transactions, in the ordinary course of business, with fellow Infor, Inc. companies. The material transactions entered into during the year are as follows:

		01.01.2023 - 31.12.2023		01.01.2022 - 31.12.2022	
		NOK'000	NOK'000	NOK'000	NOK'000
		Revenue	Costs	Revenue	Costs
Infor (Barneveld) BV	b	2,456	-48,845	1,030	-45,755
Infor (Sweden) AB	a, b, c	8,493	-53,980	8,663	-54,938
Infor (United Kingdom) Ltd	c	1,278	-823	1,007	-1,052
Infor Danmark AS	c	4,039	-100	2,090	-2,644
Infor (Midlands II) Ltd	b	0	-55,282	0	-46,812
Infor (US) Inc	b	885	-19,045	1,930	-14,186

The above companies are all are fellow group companies and other than Infor (Sweden) AB, they do not own any shareholding in Infor (Norge) AS.

a - Revenue and cost reimbursement

b - Predominantly transfer pricing income and charges relating to Infor software support and management fees.

c - Predominantly professional services income and charges recharged to/from fellow group companies.

3. Salaries and remuneration

	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
	NOK'000	NOK'000
Salaries	108,084	100,869
Social security contributions	17,639	14,613
Pension costs	7,077	6,753
Total wage cost	132,800	122,235
Average number of employees	95	95

The CEO and the Board: The CEO and the Board members were all employed by fellow Infor group companies, they did not receive any directors' fees during the year 01.01.23 to 31.12.23, other than regular salary payments made by virtue of their employment.

Employees: the company employed an average of 95 employees during the current financial year.

Amounts in respect of the auditor are as follows:

	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
	NOK'000	NOK'000
Statutory audit	734	532
Total in respect of the auditor	734	532

4. Pension obligations

The cost of the defined contribution scheme is NOK 7,077k (FY31.12.2022 NOK 6,753k).

The company is obliged to follow the Act on mandatory occupational pensions. The company's pension scheme meets the legal requirements.

5. Fixed assets

	31.12.2023 NOK'000	31.12.2022 NOK'000
Opening cost	8,416	8,676
Additions	1,158	518
Disposals	-1,351	-778
	<hr/>	<hr/>
Closing cost	8,223	8,416
Opening accumulated depreciation	6,686	6,583
Charge for the year	808	881
Disposals	-1,320	-778
	<hr/>	<hr/>
Closing accumulated depreciation	6,174	-6,686
Book value	<hr/> 2,049	<hr/> 1,730
Depreciation rate	20–33%	20–33%
Annual rental operating assets:		
Cars	0	19
Equipment	101	99
Rent	6,071	5,551
	<hr/>	<hr/>
Total	<hr/> 6,172	<hr/> 5,669

6. Analysis of other operating expenses

	01.01.2023 - 31.12.2023 NOK'000	01.01.2022 - 31.12.2022 NOK'000
Courses, conferences, and personnel costs	635	305
Travel expenses	4,156	2,545
Rent	6,420	5,840
Other costs	55,031	45,568
	<hr/>	<hr/>
Total other operating expenses	<hr/> 66,242	<hr/> 54,258

Other costs include management charges, legal and professional fees, premises costs (excluding rent), communications, general office costs and other intercompany costs.

The company has operating lease obligations as follows:

	31.12.2023 NOK'000	31.12.2022 NOK'000
Expiring within 1 year	2,547	2,500
Expiring between 2 and 5 years	7,887	5,416
	<hr/>	<hr/>
Total operating lease obligations	<hr/> 10,434	<hr/> 7,916

7. Other financial income

	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
	NOK'000	NOK'000
Foreign exchange gain	10,663	39,901
Gain on divestiture	0	125
	<hr/>	<hr/>
Total other financial income	10,663	40,026

8. Taxes

	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
	NOK'000	NOK'000
Current tax is calculated as follows:		
Profit/(loss) before tax	18,865	37,959
Permanent differences	755	445
Change in temporary differences	-845	-1,735
Used (-) / increase in tax losses carried forward (+)	0	0
	<hr/>	<hr/>
Basis for tax payable	18,775	36,669
Tax 22%	4,130	8,067
	<hr/>	<hr/>
Income tax on net profit and tax payable in the balance	4,130	8,067
Tax charge on ordinary profit for the period:		
Income tax on net profit	4,130	8,067
Change in deferred tax	186	382
Adjustment in respect of prior year	0	0
	<hr/>	<hr/>
Tax charge on ordinary profit	4,316	8,449
Specification of basis for deferred tax (+) / deferred tax assets (-):		
Fixed assets	-412	-565
Intangible assets	-3,054	-3818
Current assets	-17	-229
Pension (assets)/liabilities	-106	-89
Profit and loss account	176	220
Provision for GRS	-4,556	-4,333
	<hr/>	<hr/>
Total basis for deferred taxes (+) / deferred tax assets (-)	-7,969	-8,814
Deferred tax assets:		
22% of basis for deferred tax assets	-1,753	-1,939
	<hr/>	<hr/>
Recognised deferred tax asset	-1,753	-1,939

The company is expected to make taxable profits in future years and so a deferred tax asset has been recognized in the balance sheet.

	31.12.2023	31.12.2022
	NOK'000	NOK'000
Reconciliation of effective tax expense:		
Tax 22% based on ordinary activities before tax	4,150	8,351
The effect of permanent differences 22%	166	98
Change in temporary differences	-186	-382
Change in deferred tax asset	186	382
	<u>4,316</u>	<u>8,449</u>

9. Balances with other group companies

	Net receivables		Net liabilities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	NOK'000	NOK'000	NOK'000	NOK'000
Short term balances with group companies	7,232	5,122	26,147	36,002

10. Restricted funds

Of the total bank deposits of TNOK 472 658, restricted funds regarding the tax and rent deposit amount to TNOK 5 202 (31.12.2022: TNOK 5 840).
Recorded pension assets of TNOK 3 (31.12.2022: TNOK 16) is bound in the company's defined contribution plan.

11. Reconciliation of equity

	Share capital	Other paid-in capital	Share premium	Retained earnings	Total 31.12.23	Total 31.12.22
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
Opening balance	25,681	855	68,552	282,840	377,928	348,418
Profit for the period				14,549	14,549	29,510
Closing balance	<u>25,681</u>	<u>855</u>	<u>68,552</u>	<u>297,389</u>	<u>392,477</u>	<u>377,928</u>

12. Breakdown of other current liabilities

	31.12.2023	31.12.2022
	NOK'000	NOK'000
Wages, holiday pay and similar	18,282	19,579
Provision for miscellaneous expenses	845	681
Other current liabilities	30,080	23,682
Deferred revenue	101,254	106,873
Provision for restructuring costs	1,601	0
Total other current liabilities	<u>152,062</u>	<u>150,815</u>

13. Guarantee commitments

The company has no warranty obligations as at 31 December 2023.

14. Number of shares, shareholders m.v.

The company's share capital is NOK 25 681 420 consisting of 1 284 071 shares at NOK 20, - (31.12.2022: NOK 20, -).

Shareholder: Infor (Sweden) AB.

Directors and the CEO had no holdings in Infor (Norge) AS.

Copies of the consolidated financial statements can be obtained from Infor Inc. 641 Avenue of the Americas, New York, USA or their website www.infor.com.

15. Subsequent events

The Board is not aware of any occurrences after the year end which could impact either the company's financial position as at 31 December 2023, or the results for the year ended 31 December 2023.