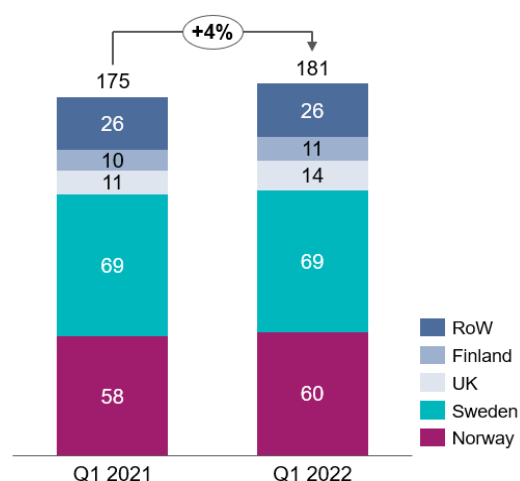


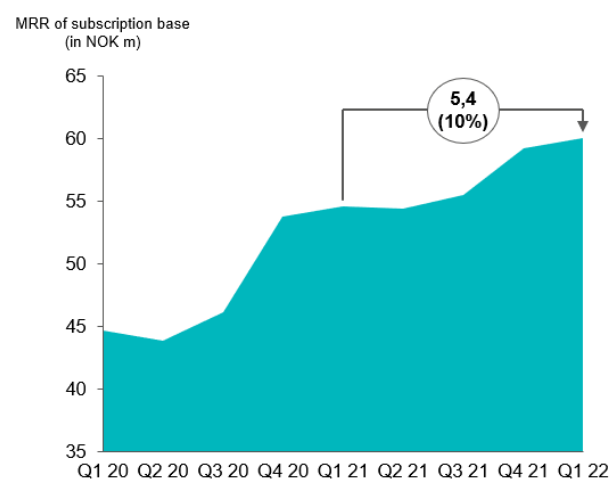
### ABAX CONTINUES GROWTH IN Q1

- Pro-forma revenue<sup>1</sup> of 181,1 (174,6) MNOK in the first quarter, representing growth of 4% from Q1 2021
- Adjusted EBITDA of 74,1 (69,8) MNOK, an increase 6%.
- Quarter over quarter MRR growth of 10%.

#### Q1 / YTD Pro-Forma Revenue, MNOK



#### Qtrly – MRR Growth



### KEY FIGURES

Amounts in NOK million	Q1	Q1	Jan-Mar	Jan-Mar
	2022	2021	2022	2021
Pro-forma revenue	181,1	174,6	181,1	174,6
Adjusted EBITDA	74,1	69,8	74,1	69,8
Adjusted EBITDA margin	41%	40%	41%	40%

<sup>1</sup> Abax constitutes the operating entities under Abax Group AS. All figures in () refer to the comparable figures from previous year. The pro-forma revenue for the year-to-date 2022 and 2021 comparative reflects Revenue Recognition Change. All figures are shown under IFRS.

## ABOUT ABAX

Abax is the largest independent telematics IoT platform in Europe. Telematics is the science of connecting mobile and distributed assets and is one of the fastest-growing IoT segments. We develop our own line of hardware, firmware and software which, tied together in an open platform, allows other sensors to connect and collect data through the Abax Global Network.

Abax provides an innovative end-to-end platform to support digitalisation and automation for our customers. Hosted and born in the cloud, we are always available.

Innovation, sustainability and enthusiasm are at the core of the experience our customers have with Abax. Our solutions continually help our customers run their businesses smarter, making it easy for them to improve efficiency, comply with legislation and increase profitability.

Abax is at the forefront of telematics, with a proven track record of customer acquisition and innovation. Over the last years we have grown our customer base organically and through acquisitions to a total of 44,080 customers and more than 375,240 subscriptions within our IoT Network.

## FIRST QUARTER OPERATIONS UPDATE

Abax had a strong 1st quarter 2022 with pro-forma revenues growing at 4% and adjusted pro-forma EBITDA growing at 6%. Adjusting for negative FX impact, ABAX revenues grew by 7% in Q1 2022. The continued challenges faced in the global supply chain impacted our growth somewhat as an even stronger customer demand could not fully be satisfied due to limitations of hardware availability during the first three months of this year. As we develop our supply chain resilience further, we will catch up on hardware availability during Q2, and meet the growing customer demand.

Overall, Abax with its data and software approach has several opportunities to grow on the back of existing subscriptions with hardware already installed. Cost increases in the supply chain, have so far been compensated by a similar increase in service pricing to the end customers. Our cash collection in Q1 was up 15% over Q1 2021 with no changes to billing and invoicing terms. This is a good indication of the solidity and loyalty of our customer base.

In February, we saw a major change in the geopolitical situation with Russia invading Ukraine. Abax has no customers, representation or employees in Russia, Belarus, or Ukraine. So, there is no immediate impact for us from this conflict at this time. The longer-term effects on the general economy in the Nordics, UK and Benelux, our core markets, is hard to predict. However, the revenue and EBITDA growth in Q1 2022 highlight ABAX's resilience in times of macroeconomic uncertainty as well as during the pandemic between 2020 and 2022.

We have maintained a good focus on controlling cost and driving scale effects during the first quarter. This has resulted in the renegotiation of several of our supplier contracts and slightly reduced headcount. We remain committed to providing the best service to our customers.



**Morten Strand, CEO**

## FINANCIAL HIGHLIGHTS – Q1, 2022

Subscriptions continue to grow across the company, highlighting the company's unrelenting focus on helping its customers connect their assets. This has resulted in an 5 % increase in subscriptions from Q1 2021.

The growing customer base results in increasing MRR (Monthly Recurring Revenue) adding predictability to the company's revenue, which is a key financial focus / objective of Abax. MRR has increased by 10% in the twelve months between March 2021 and March 2022.

Revenue in the first quarter amounted to 181,1 (174,6) MNOK, an increase of 4% on Q1 2021 revenue.

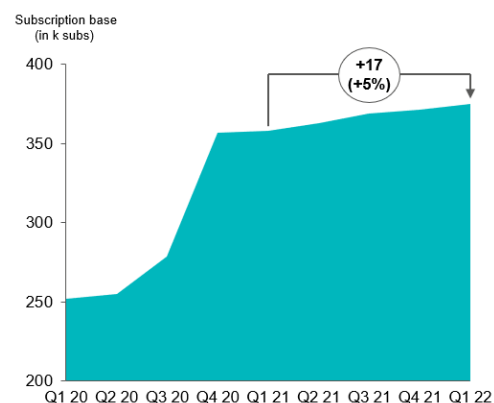
With the continuing global shortage of electronic components affecting the industry, Abax has maintained its focus during 2022 on securing its supply chain with minimum impact to our customers. However, Abax still experienced a slight delay in shipping equipment to our customers in Q1, this resulted in a temporary impact to revenue and adjusted EBITDA during Q1 2022. The March 22 backlog on MRR was 0,2 MNOK.

Adjusted EBITDA in the first quarter amounted to 74,1 (69,8) MNOK resulting in a growth of 6% compared to Q1, 2021. Adjusted EBITDA margin of 41% (40%).

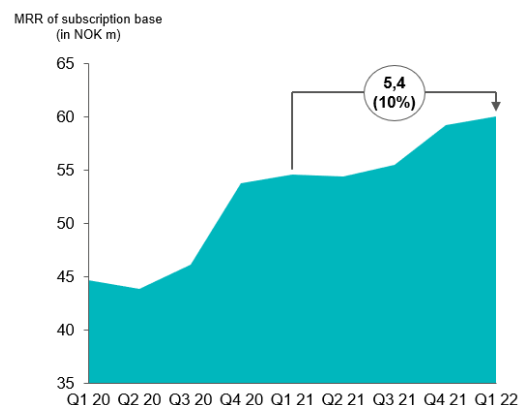
YTD employee related expenses and other operating expenses amounted to 90,7 (94,1) MNOK, corresponding to a decrease of 3,6%, as a result of continued cost vigilance and operational streamlining. The number of fulltime employees at the end of the first quarter was 338,

YTD depreciation and amortisation amounted to 87,3 (85,8) MNOK.

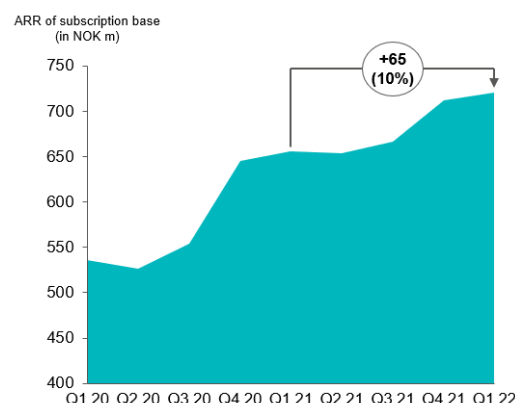
### Qtrly Subscriptions



### MRR Development



### ARR Development



## COVID-19 IMPLICATIONS ON THE BUSINESS

The main influence of the business from Covid-19, is predominantly visible in our supply chain. However, Covid-19 is not the only factor impacting the supply chain and the availability of electronic components. With Covid-19 cases and restrictions in decline in Europe, we will remove the COVID-19 implications on the business section from Q2 and onwards.

## LIQUID FUNDS

By the end of March 2022, Abax's cash amounted to 397 MNOK. Additionally, Abax has a non-utilised credit facility amounting to 50 MNOK.

Abax's cash conversion is driven by the payment frequencies of subscription fees, ranging from monthly/quarterly and yearly in advance, off-set by investments in capital expenditures and capitalised R&D.

## LEVERAGE

By the end of the third quarter the leverage amounted to 2,0 x LTM Q1-22 EBITDA. The leverage is calculated according to the table on the righthand side, under IFRS. This calculation is in line with the definitions agreed in the existing bond terms.

### Leverage calculation, NOK million

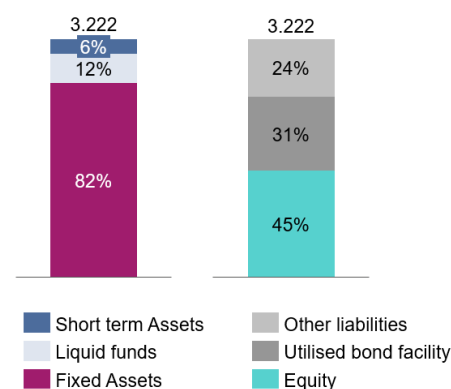
Utilised bond facility	1000
Cash	-397
Net debt	603
Pro forma LTM EBITDA	302
Leverage (Net debt/EBITDA)	2,0x

## BALANCE SHEET

Abax's fixed assets amount to 81% of total assets, of which 89% refer to intangible assets subject to impairment tests. Management believes that these assets provide for a solid foundation to drive future profitability and growth.

The external interest-bearing loans amounted to 1,119 MNOK of which 1,000 MNOK refer to utilised bond facility and 119 MNOK refer to financial lease liability under IFRS 16.

### Balance Sheet - M NOK



## PRODUCTS AND TECHNOLOGY

Q1 2022 saw the launch of large new software releases aimed at strengthening the platform to cater for future growth along with providing new features and functionality to its users. In March Abax released its next generation Telematics interface, ABAX 2.0. Cutting edge technology allows the platform to be updated continuously, automatically, and independently.

User workflows have been redesigned to be more user-friendly and configurable, allowing customers to quickly get to the information that is most important to them.

Along with this release, the new Geofence Suite allows the customer to easily manage their business inside and outside of working hours. Time worked on individual jobs can be automatically calculated & invoiced as well as flagging any unauthorized usage of equipment. Intuitive and easy to use, real time notifications help companies respond to activity triggered events as they happen.

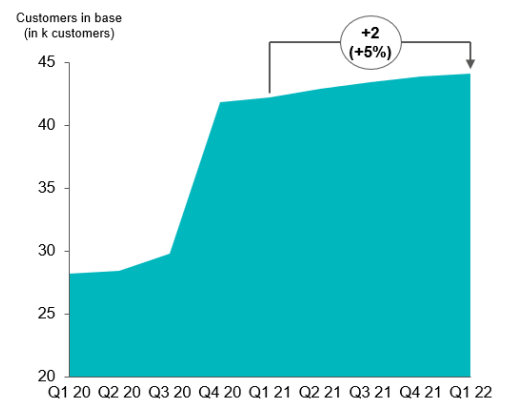
## CUSTOMERS

Abax's diversified customer base mainly consists of small and medium-sized enterprises (SME) with the potential for multiple services, but that currently primarily use one of Abax' services. The SME customers are loyal, with an average lifetime of approximately 8 years. Customer numbers have increased by 5% since Q1-2021.

The segments of mid-sized customers (20-80 vehicles) and key accounts, particularly in Norway and Sweden, offer particular potential for up- and cross-selling as these customers typically operate larger fleets of vehicles, machines and tools and are interested in more than one service.

At the end of December 2021, Abax recategorized its Zego insurance customers, excluding customers with an API fee only from the main subscription count and number of customers

### Customer Growth



## SUSTAINABILITY

Abax was born along the south-western coastal city of Larvik, Norway where we still have our headquarters. Surrounded by unique fjords and forests, it's no wonder we believe that businesses have a part to play in protecting the environment in which they operate.

During Q1 we launched our sustainability report for 2021. Which highlights many of our ESG initiatives and our continuing carbon neutrality.

The report can be found a [https://static.abax.com/sites/default/files/2022-03/ABAX%20Sustainability%20Report%202021\\_0.pdf](https://static.abax.com/sites/default/files/2022-03/ABAX%20Sustainability%20Report%202021_0.pdf).



## MARKET

Abax is well positioned to leverage on a growing and fragmented marketplace. Abax benefits from being present in some of the most established European markets such as the Nordics, UK, and Benelux. Growth for Abax in those markets is aided by the large awareness of Internet of Things (IOT) and connectivity amongst its customers as well as the value, short pay-back time and benefits Abax provides to those customers.

## RISKS

The operations of Abax Group are exposed to several financial risks such as market risks (currency risk and interest risk), credit risk and liquidity risk. The group aims to minimise 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%. In order to reduce that exposure Abax Group AS has entered an Interest Rate Hedge Transaction with SEB.

For a more detailed description of the risks mentioned above and other risks and uncertainties, please refer to the Investor presentation.

### 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 on 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 2021 annual report.

This interim report has not been subject to external audit.

Larvik, 31 May 2022



Morten Strand – CEO



David Norton - CFO

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Amounts in NOK thousand	First quarter		Audited 01.01.21- 31.12.21
	2022	2 021	
Operational Revenue	172 954	155 849	641 555
One-time insurance payment			321 981
<b>Total Revenue</b>	<b>172 954</b>	<b>155 849</b>	<b>963 536</b>
<b>OPERATING EXPENSES</b>			
Cost of hardware and services	19 007	20 882	73 891
Employee benefit expenses	63 007	62 663	231 036
Other operating expenses	27 693	31 532	123 064
Impairment loss on trade and other receivables	1 401	1 202	4 280
Depreciation	14 633	13 476	56 496
Amortisation	72 730	72 349	280 788
<b>OPERATING PROFIT(+)/LOSS(-)</b>	<b>(25 517)</b>	<b>(46 255)</b>	<b>193 981</b>
<b>FINANCIAL ITEMS</b>			
Finance income	8 649	9 312	18 061
Finance expenses	(27 466)	(21 442)	(87 134)
<b>TOTAL NET FINANCIAL ITEMS</b>	<b>(18 817)</b>	<b>(12 129)</b>	<b>(69 073)</b>
<b>PROFIT(+)/LOSS(-) BEFORE TAX</b>	<b>(44 334)</b>	<b>(58 384)</b>	<b>124 908</b>
Income tax income	0	-	34 588
<b>PROFIT(+)/LOSS(-) FOR THE PERIOD</b>	<b>(44 334)</b>	<b>(58 384)</b>	<b>159 496</b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	First quarter		Audited 01.01.21- 31.12.21
	2022	2021	
<b>PROFIT(+)/LOSS(-) FOR THE PERIOD</b>	<b>(44 334)</b>	<b>(58 384)</b>	<b>159 496</b>
<b>ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS</b>			
Foreign currency translation differences	(16 732)	(47 092)	(45 552)
<b>TOTAL ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>(16 732)</b>	<b>(47 092)</b>	<b>(45 552)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(61 066)</b>	<b>(105 476)</b>	<b>113 944</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION Audited

Amounts in NOK thousand	31.03.2022	31.12.2021
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	215 843	207 967
Intangible assets and goodwill	2 348 859	2 424 890
Deferred tax assets	32 568	32 568
Other investments, including derivatives	27 681	19 911
Non-current interest-bearing receivables	3 160	4 730
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2 628 112</b>	<b>2 690 066</b>
<b>CURRENT ASSETS</b>		
Inventories	20 404	26 613
Current tax assets	5 619	4 407
Trade and other receivables	161 753	167 590
Contract assets	9 143	17 245
Cash and cash equivalents	396 519	397 489
<b>TOTAL CURRENT ASSETS</b>	<b>593 438</b>	<b>613 344</b>
<b>TOTAL ASSETS</b>	<b>3 221 550</b>	<b>3 303 410</b>
<b>EQUITY</b>		
Share capital	42 959	42 959
Share premium	1 817 821	1 817 821
Retained earnings	(329 321)	(284 917)
Other reserves	(86 423)	(69 688)
<b>TOTAL EQUITY</b>	<b>1 445 036</b>	<b>1 506 174</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	192 901	210 097
Contract liabilities	129 650	129 650
Current tax liabilities	10 902	12 773
Loans and borrowings	105 844	105 762
<b>TOTAL CURRENT LIABILITIES</b>	<b>439 297</b>	<b>458 282</b>
<b>NON-CURRENT LIABILITIES</b>		
Loans and borrowings	1 082 391	1 081 633
Deferred tax liabilities	235 337	236 323
Non-current derivatives	-	-
Other non-current liabilities, not interest bearing	19 489	20 997
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1 337 217</b>	<b>1 338 954</b>
<b>TOTAL LIABILITIES</b>	<b>1 776 514</b>	<b>1 797 236</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 221 550</b>	<b>3 303 410</b>



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

Amounts in NOK thousand	Q1 2022	Q1 2021	Audited 01.01.21- 31.12.21
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
PROFIT(+)/LOSS(-) FOR THE PERIOD	(44 334)	(58 384)	159 496
<b>Adjustments for:</b>			
- Depreciation	14 633	13 476	56 496
- Amortisation	72 730	72 349	280 788
- Write down inventory	3 600	-	-
- Net finance costs	18 817	12 129	69 073
- Tax expense	(0)	-	(34 588)
<b>Cash flow before changes in working capital, interest and tax</b>	<b>65 446</b>	<b>39 570</b>	<b>531 265</b>
<b>Changes in:</b>			
- Inventories	6 208	1 925	(14 979)
- Trade and other receivables	6 196	(29 592)	(33 900)
- Trade and other payables	(17 196)	13 085	6 700
- Contract assets/liabilities	8 102	17 465	46 235
- Other movements	(6 209)	(6 002)	(3 724)
<b>Cash flow before interest and tax</b>	<b>62 547</b>	<b>36 450</b>	<b>531 597</b>
Interest paid	(18 609)	(16 625)	(74 277)
Income taxes paid	(1 370)	(1 471)	6 728
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>42 568</b>	<b>18 354</b>	<b>464 048</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Aquisition of property plant and equipment, and intangible assets	(36 915)	(28 954)	(145 398)
Aquisition of Helpten	-	-	(16 416)
Shares in Reen	-	-	(5 427)
Deposit refund claim	-	-	1 600
Earn-out RAM	-	-	(10 514)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(36 915)</b>	<b>(28 954)</b>	<b>(176 155)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from loans from group companies	-	8 700	-1600
Payment of lease liabilities	(6 624)	(9 099)	(32 758)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(6 624)</b>	<b>(399)</b>	<b>(34 358)</b>
<b>NET INCREASE (+)/DECREASE (-) IN CASH AND CASH-EQUIVALENTS</b>	<b>(970)</b>	<b>(10 999)</b>	<b>253 535</b>
Cash and cash-equivalents beginning of period	397 489	143 954	143 954
Currency effect of cash and cash equivalents			
<b>CASH AND CASH-EQUIVALENTS END OF PERIOD</b>	<b>396 519</b>	<b>132 956</b>	<b>397 489</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year 2021	Attributable to shareholders of ABAX Group AS					
	Share capital	Share premium	Total paid-in capital	Retained earnings	Translation reserve	Total equity
Amounts in NOK thousand						
Ingoing balance 1 January 2021	42 959	1 817 821	1 860 780	(445 161)	(24 136)	1 391 483
<b>Total comprehensive income for the period 01.01.21 - 31.12.21</b>						
Loss for the period				159 496		159 496
Changes to previous years				749		749
Other comprehensive income for the period					(45 552)	(45 552)
				160 245	(45 552)	114 693
<b>Balance as of 31 December 2021</b>	<b>42 959</b>	<b>1 817 821</b>	<b>1 860 780</b>	<b>(284 917)</b>	<b>(69 688)</b>	<b>1 506 174</b>

Year 2022	Attributable to shareholders of ABAX Group AS					
	Share capital	Share premium	Total paid-in capital	Retained earnings	Translation reserve	Total equity
Amounts in NOK thousand						
Ingoing balance 1 January 2022	42 959	1 817 821	1 860 780	(284 917)	(69 688)	1 506 174
<b>Total comprehensive income for the period 01.01.22 - 31.03.22</b>						
Loss for the period				(44 334)		(44 334)
Changes to previous years				(70)		(70)
Other comprehensive income for the period					(16 732)	(16 732)
				(44 404)	(16 732)	(61 136)
<b>Transactions with owners of the Company</b>						
	-	-	-	-	-	-
<b>Balance as of 31 March 2022</b>	<b>42 959</b>	<b>1 817 821</b>	<b>1 860 780</b>	<b>(329 321)</b>	<b>(86 423)</b>	<b>1 445 036</b>

### Note 1: General information

Abax Group AS ("the Company") and its subsidiaries (together "the Group") has its headquarters and registered office at Hammergata 24, 3264 Larvik, Norway.

The interim condensed consolidated financial statements for the first quarter 2022, ending 31 March 2022, were 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 2021 annual report.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2021 prepared under IFRS.

### Note 2: Segment reporting

The group recognises 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 the way in which the business areas report figures to the Group executive management (key decision maker). ABAX is currently reporting its figures to key decision maker as one operating segment, the telematics solutions. In the following table, revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition.

Amounts in NOK thousand	January-March	
	2022	2021
<b>Primary geographical markets</b>		
Norway	57 067	50 530
Sweden	65 916	62 188
Finland	10 680	8 867
Denmark	4 279	3 982
UK	13 941	10 107
Other	21 072	20 175
<b>Revenue</b>	<b>172 954</b>	<b>155 849</b>
<b>Major products/service lines</b>		
Trip logs	159 118	143 381
Equipment control	13 836	12 468
<b>Revenue</b>	<b>172 954</b>	<b>155 849</b>
<b>Timing of revenue recognition</b>		
Products transferred at a point in time	-	-
Products and services transferred over time	172 954	155 849
<b>Revenue</b>	<b>172 954</b>	<b>155 849</b>
<b>Revenue type</b>		
Operational revenue	172 954	155 849
One-time insurance payment	-	-
<b>Total revenue</b>	<b>172 954</b>	<b>155 849</b>

# APPENDIX

The following information does not form part of the interim condensed consolidated financial statements, and is only for supplemental information purposes, to aid in the transition from previously reported quarterly reports under NGAAP to reporting under IFRS

## YTD 2022 & LYTD 2021 BRIDGE – TO ADJUSTED FINANCIAL STATEMENTS

Amounts in NOK million	Jan-Mar 2022		Jan-Mar 2022		Jan-Mar 2022		Jan-Mar 2022
	FS (NGAAP)	IFRS adjust.	FS (IFRS)	Revenue recognition adjust.	FS after revenue recognition adjust.	NRI adjust.	Adjusted FS
Revenue	173,0		173,0	8,1	181,1	-	181,1
Cost of goods sold	(19,0)		(19,0)		(19,0)	0,8	(18,2)
<b>Gross Profit</b>	<b>153,9</b>	-	<b>153,9</b>	<b>8,1</b>	<b>162,1</b>	<b>0,8</b>	<b>162,9</b>
Gross margin	89 %		89 %		90 %		90 %
Payroll expenses	(63,0)		(63,0)	(0,5)	(63,5)	1,8	(61,7)
Other operating expenses	(37,2)	8,1	(29,1)		(29,1)	2,1	(27,0)
<b>EBITDA</b>	<b>53,7</b>	<b>8,1</b>	<b>61,8</b>	<b>7,7</b>	<b>69,5</b>	<b>4,6</b>	<b>74,1</b>
EBITDA margin	31 %		36 %		38 %		41 %

Amounts in NOK million	Jan-Mar 2021		Jan-Mar 2021		Jan-Mar 2021		Jan-Mar 2021
	FS (NGAAP)	IFRS adjust.	FS (IFRS)	Revenue recognition adjust.	FS after revenue recognition adjust.	NRI adjust.	Adjusted FS
Revenue	155,8		155,8	18,8	174,6	-	174,6
Cost of goods sold	(20,9)		(20,9)		(20,9)	-	(20,9)
<b>Gross Profit</b>	<b>135,0</b>	-	<b>135,0</b>	<b>18,8</b>	<b>153,7</b>	-	<b>153,7</b>
Gross margin	87 %		87 %		88 %		88 %
Payroll expenses	(62,7)		(62,7)	(1,3)	(64,0)	0,6	(63,4)
Other operating expenses	(43,5)	10,8	(32,7)		(32,7)	12,2	(20,5)
<b>EBITDA</b>	<b>28,8</b>	<b>10,8</b>	<b>39,6</b>	<b>17,5</b>	<b>57,0</b>	<b>12,8</b>	<b>69,8</b>
EBITDA margin	18 %		25 %		33 %		40 %

Non-Recurring items relating to:	Q1 2022	Q1 2021	Jan-Mar 2022	Jan-Mar 2021
Amounts in NOK million	2022	2021	2022	2021
Restructuring exceptional cost (Payroll)	1,8	0,6	1,8	0,6
Advisory and legal fees(OPEX)	2,1	8,5	2,1	8,5
Advisory fees mergers and acquisitions (OPEX)	0,0	1,7	0,0	1,7
Nordic Bond cost (OPEX)	0,0	2,1	0,0	2,1
COGS Hardware extra cost: data-chip shortage	0,8	0,0	0,8	0,0
<b>Total non-recurring items</b>	<b>4,6</b>	<b>12,8</b>	<b>4,6</b>	<b>12,8</b>