

2022 Annual report

Directors' report

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Audit report

Board of Directors' report 2022- Foxway AS

Nature and location of the business

The company's business involves the online retail sale of electronic equipment and consultancy services. The business is run from Sandefjord, where the company also keeps its stock. Most sales are transacted on the internet and via sales staff.

Going concern

In accordance with Section 3(3) of the Norwegian Accounting Act, it is confirmed that the going concern assumption applies and has been used as a basis for preparing the accounts.

Future development

The company has been going through a growth spurt in recent years, but suffered a setback in 2020 due to COVID-19. This also affected 2021, but the company had a strong finish to the last six months. There have been no problems in 2022, and the company can point to its best year ever in terms of turnover. In 2021, the company acquired Greentech AS and Alternativ Data AS. These companies were merged into Foxway AS for accounting purposes from 01.01.2022. The acquisition has helped increase the focus on reuse throughout the Norwegian organization, which also has an impact on the company's bottom line. EBITDA is very strong compared to previous years. Early 2023 is showing a high level of activity in the company, and we expect continued positive development and growth through 2023.

Presentation of the annual accounts

The company is not exposed to specific factors that affect the business beyond what is normal for a business in this sector. The company's turnover is particularly affected by the general economic cycles in society, but 2022 has been a very strong year with no external adverse impact.

Turnover in Foxway AS rose from NOK 324.0 million in 2021 to NOK 725.0 million in 2022. This marks a rise of 124%. The annual result has been reduced from a NOK 2.9 million profit in 2021 to a NOK 15.5 loss in 2022. The result for the year has been strongly affected by depreciation items of NOK 36.6 million, including NOK 31.6 million as amortization of goodwill from acquisitions of other companies.

The company's EBITDA has increased by NOK 24.4 million from NOK 9.7 million in 2021 to NOK 34.1 million in 2022. As of 31.12.22, its inventory has increased by NOK 29.4 million compared to 31.12.21. As of 31.12.2022, total inventory value is NOK 95.7 million.

Total cash flow from operations was NOK -78.5 million, while the loss before tax amounted to NOK 10.9 million. This difference is due to changes in inventories, accounts receivable, and accounts payable, as well as to ordinary depreciation and an increase in other time limits. The total investments in the company amounted to NOK 1 million in 2022, primarily consisting of payments made on the purchase of fixed assets and payments received on the sale of shares.

The company's cash position was NOK 14.2 million as of 31.12.2022. The company has a stable customer base and considers the risk of significant losses to customers to be low. As of 31.12.2022, current liabilities amounted to 100% of total debt.

At the end of the year, total capital amounted to NOK 537 million, compared to NOK 476.7 million the previous year. The equity ratio as of 31.12.2022 is 39.4%, compared to 51.4% as of 31.12.2021.

Financial risk

Overview of objective and strategy

The company is exposed to financial risk in certain areas, primarily interest rate risk. The objective is to reduce financial risk as far as possible. The company's current strategy does not include the use of financial instruments, but this is subject to ongoing assessment by the Board.

Market risk

The company is exposed to changes in interest rates, as the company's debt has a variable interest rate. Furthermore, changes in interest rates may affect investment opportunities in future periods. Changes in exchange rates entail, both directly and indirectly, financial risk for the company through purchases and sales from abroad. The situation regarding COVID-19 has calmed down throughout 2022 and poses no immediate danger to the company into 2023. One potential risk may be access to goods due to lockdowns in other countries, such as in Asia.

Credit risk

The risk of losses on receivables is considered to be very low.

Liquidity risk

The company considers the company's liquidity to be acceptable. We are increasingly focusing on the size of the company's stock compared to the need to have sufficient goods in stock, while, at the same time, having a greater focus on the related payment terms with our suppliers. The company also has a strong group behind it if capital is required during growth periods.

Working environment, equality, and discrimination

In our opinion, the working environment and general well-being in the workplace are good, and no measures have been required to improve the environment. Sickness absence accounts for about 7.5% of total working hours a year. The rate of short-term sickness absence has been low and satisfactory. Appraisals have been carried out for all employees during the year. There have been no reports of injuries or accidents in the workplace.

The company aims to be a workplace that ensures complete equality between women and men, and it has devised a policy that aims to ensure no occurrence of discrimination based on gender. There have been no known cases of discrimination based on gender in 2022. In 2022, the company had an average of 69 employees: 27 women and 42 men.

Statement pursuant to the Norwegian Transparency Act

The company is required to publish a statement detailing the due diligence assessments carried out, pursuant to the Norwegian Transparency Act, which entered into force in Norway on 1 July, 2022. The statement will be published on the company's website, foxway.com by the deadline of 30 June, 2023.

Liability of the Board of Directors

The company has not taken out insurance for the members of the Board of directors and the managing director for their possible liability toward the company and any third parties.

External environment

The sector that the company' operates in does not produce any pollution or emissions that can be harmful to the external environment.

Profit/loss for the year and allocations

The Board of Directors proposes the following allocation of the annual result in Foxway AS:

Transfer from capital surplus	-15,468,649
Total allocated	-15,468,649

Sandefjord, 31 March, 2023

Steinar Aune
Managing Director

Claes Martin Hedayat Roos Backman
Managing Director

Erik Axel Urban Odelind
Member of the Board

Income statement

	Note	2022	2021
Operating income			
Sales income	2,3	725,015,392	323,722,188
Other operating income		25,634	235,700
Total operating income		<u>725,041,026</u>	<u>323,957,888</u>
Operating expenses			
Cost of goods sold		592,613,738	284,823,830
Payroll expenses	4	54,003,092	28,550,405
Depreciation	5,6	36,636,167	6,353,922
Impairment	5,6	0	1,495,179
Other operating expenses	4, 7, 15	44,067,539	20,307,943
Total operating expenses		<u>727,320,536</u>	<u>341,531,279</u>
Operating profit/loss		<u>-2,279,510</u>	<u>-17,573,391</u>
Financial income and expenses			
Income from investments in subsidiary and associated company		0	24,732,807
Other financial income	8,9	23,656,340	12,613,478
Interest expenses for companies in the same group		2,065,885	1,393,103
Other financial expenses	8,9	30,202,089	14,341,106
Net financial items		<u>-8,611,634</u>	<u>21,612,076</u>
Ordinary profit/loss before tax		<u>-10,891,144</u>	<u>4,038,685</u>
Tax on ordinary profit/loss	10	4,577,505	1,108,598
Net profit/loss		<u>-15,468,649</u>	<u>2,930,087</u>
Transfers and allocations			
Transfer from capital surplus	11	-15,468,649	0
Transfers to other equity	11	0	2,930,087
Amount allocated		<u>-15,468,649</u>	<u>2,930,087</u>

Balance sheet as of 31 December

	Note	2022	2021
Fixed assets			
<i>Intangible assets</i>			
Research and Development	5	1,736,754	3,129,961
Concessions, patents, licenses, trademarks	5	5,380,473	647,178
Deferred tax assets	10	3,055,795	7,216,718
Goodwill	5	200,080,946	8,055,705
Total intangible assets		<u>210,253,968</u>	<u>19,049,562</u>
<i>Tangible assets</i>			
Land, buildings, and other real estate	6	2,493,219	0
Machinery and plant	6	611,486	0
Fixtures, fittings, tools, office equipment, etc.	6	3,783,657	1,109,845
Total tangible assets		<u>6,888,362</u>	<u>1,109,845</u>
<i>Financial assets</i>			
Investments in subsidiary	12	1,655,878	260,271,830
Investments in another company in same group		0	5,192,441
Total financial assets		<u>1,655,878</u>	<u>265,464,271</u>
Total fixed assets		<u>218,798,208</u>	<u>285,623,678</u>
Current assets			
Inventories	13, 14	<u>95,658,037</u>	<u>66,191,960</u>
<i>Receivables</i>			
Accounts receivable	13, 15	190,927,331	44,930,614
Other receivables	13, 16	17,162,581	53,304,158
Total receivables		<u>208,089,912</u>	<u>98,234,772</u>
Bank deposits, cash, etc.	17	<u>14,166,548</u>	<u>26,656,768</u>
Total current assets		<u>317,914,497</u>	<u>191,083,500</u>
Total assets		<u>536,712,705</u>	<u>476,707,178</u>

**Balance sheet as of 31
December**

	Note	2022	2021
Equity			
<i>Paid-in equity</i>			
Share capital	11, 18	4,109,028	4,109,028
Capital surplus	11	207,590,298	237,971,781
Total paid-in equity		<u>211,699,326</u>	<u>242,080,809</u>
<i>Retained earnings</i>			
Other equity	11	0	2,930,087
Total retained earnings		<u>0</u>	<u>2,930,087</u>
Total equity		<u>211,699,326</u>	<u>245,010,896</u>
Liabilities			
<i>Current liabilities</i>			
Liabilities to financial institutions	13	46,241,553	51,594,172
Accounts payable		144,215,866	65,141,368
Public duties payable	17	6,770,359	2,079,657
Other current liabilities	16	127,785,608	112,881,089
Total current liabilities		<u>325,013,386</u>	<u>231,696,286</u>
Total liabilities		<u>325,013,386</u>	<u>231,696,286</u>
Total equity and liabilities		<u>536,712,712</u>	<u>476,707,182</u>

31 December, 2022
Sandefjord, 31 March, 2023

Erik Axel Urban Odelind
Member of the Board

Steinar Aune Managing
Director

Claes Martin Hedayat Roos
Backman
Chair of Board

Cash flow statement

	Note	2022	2021
Cash flows provided by operating activities			
Profit/loss before tax		-10,891,144	4,038,685
Share of profit/loss in subsidiary/associated company		0	-23,793,767
Ordinary depreciation	5,6	36,636,167	6,353,922
Impairment of financial assets	5,6	0	1,495,179
Change in inventories, accounts receivable, and accounts payable	14	-114,498,085	-11,429,573
Change in other time limit items		10,252,353	7,114,898
Net cash flow provided by operating activities		<u>-78,500,709</u>	<u>-16,220,656</u>
Cash flows provided by investment activities			
Payments made for purchase of tangible assets	5,6	-5,779,011	-694,108
Payments received for sale of shares in other companies		10,024,479	830,389
Payments made for sale of shares in other companies		-5,192,441	-258,615,952
Net cash flow provided by investment activities		<u>-946,973</u>	<u>-258,479,671</u>
Cash flows provided by financing activities			
Payments received for raising new current liabilities	16	53,952,207	52,817,448
Net change in overdraft facilities	13	-5,352,619	-59,990
Liabilities converted to share capital		0	234,092,901
Net cash flow provided by financing activities		<u>48,599,588</u>	<u>286,850,359</u>
Additions with merger*	1	18,357,874	0
Net change in liquid funds during the year		-12,490,220	12,150,032
Cash and bank deposits as of 01.01		26,656,768	14,506,736
Cash and bank deposits as of 31.12		<u>14,166,548</u>	<u>26,656,768</u>

*Cash and bank deposits provided by the merger with Greentech AS and Alternative Data AS.

Notes for 2022 accounts

Note 1 – Accounting principles

The annual accounts have been prepared in accordance with the provisions of the Norwegian Accounting Act and generally accepted accounting principles in Norway.

In 2022, the company merged with the subsidiary, Greentech SA (organization no. 974 696 177). Foxway AS is the acquiring company, while Greentech AS is the divesting company in the merger. Furthermore, Greentech AS merged with the subsidiary Alternativ Data AS (organization no. 948 397 498) in 2022, whereby Greentech AS was the acquiring company, while Alternative Data AS was the divesting company in the merger. The mergers have been carried out ensuring continuity and taking effect in accounting terms from 01.01.2022. The mergers were registered in the Norwegian Register of Business Enterprises on 27.10.2022.

Sales income

Income from the sale of goods is recognized at the time of delivery. Income from services is recognized as they are being carried out. The share of sales income related to services to be carried out in the future is recognized in the balance sheet as unearned income at the time of the sale, and is then recognized as income as the services are being provided.

Classification and valuation of balance sheet items

Current assets and current liabilities include items due for payment within one year after the balance sheet date, as well as items related to the product cycle. Other items are classified as fixed assets/non-current liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are recognized in the balance sheet at the nominal amount on the date when they were established.

Fixed assets are valued at acquisition cost, but are written down to fair value in the event of any impairment that is not expected to be temporary. Fixed assets with a limited economic life are depreciated according to plan. Non-current liabilities are recognized in the balance sheet at the nominal amount on the date when they were established.

Receivables

Accounts receivable and other receivables are recognized in the balance sheet at nominal value minus provision for expected losses. Provision for losses is made on the basis of individual assessments of the individual receivables. In addition, an unspecified provision is made for other accounts receivable to cover the assumed loss.

Inventories

The inventory of purchased goods is valued at the lower of acquisition cost and fair value. Acquisition cost is valued according to the FIFO principle. Manufactured finished goods and goods under manufacture are valued at full manufacturing cost. Write-downs are made for expected obsolete stock.

Currency

Money items in foreign currency are converted at the exchange rate on the balance sheet date.

Transactions in foreign currency are converted at the exchange rate applicable on the day of the transaction. Foreign exchange gains and losses as a result of settlement in foreign currency and on conversion at the exchange rate on the balance sheet date are recognized in the income statement when they arise.

Tangible assets

Tangible assets are recognized in the balance sheet and depreciated over the asset's expected economic life. Direct maintenance of fixed assets is charged on an ongoing basis under operating expenses, while additions or improvements are added to the fixed asset's cost price and depreciated along with the asset. If the recoverable amount of the fixed asset is lower than the book value, the write-down is made to the recoverable amount. The recoverable amount is the higher of the net sales value and value in use. Value in use is the current value of the future cash flows that the asset will generate.

Notes for 2022 accounts

Research and development

Expenditure on research and development is recognized in the balance sheet to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified. Otherwise, such expenses are charged on an ongoing basis. Research and development recognized in the balance sheet is depreciated on a straight-line basis over its economic life.

Intangible assets

Expenses for intangible assets are recognized in the balance sheet to the extent that the criteria for recognition in the balance sheet are met. Goodwill is depreciated over its expected lifetime.

Taxes

The tax expense in the income statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated at 22% on the basis of the temporary differences existing between accounting and tax values, as well as the tax loss to be carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that are reversed or can be reversed in the same period are offset and netted. Net deferred tax assets are recognized in the balance sheet to the extent that it is likely that they can be utilized.

Cash flow statement

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

Use of estimates

Management has used estimates and assumptions that have affected the income statement and the valuation of assets and liabilities, as well as uncertain assets and liabilities at the balance sheet date during the preparation of the annual accounts in accordance with generally accepted accounting principles.

Note 2 – Sales income

	2022
<i>By business area</i>	
Sales of goods	725,015,392
<i>Geographical distribution</i>	
Africa	14,634,577
Asia	74,843,366
Australia	7,524,613
Europe	536,651,296
America	91,361,540
	<u>725,015,392</u>

Notes for 2022 accounts

Note 3 – Transactions with group companies

	2022	2021
Sales to company in same group	254,211,547	138,647,348
Purchase of goods from company in same group	3,282,065	2,242,986
Management fee, licenses, and rent	18,320,697	8,761,801
Total	<u>275,814,309</u>	<u>149,652,135</u>

Note 4 – Salaries and payroll expenses, number of employees, employee loans, and auditor’s remuneration

<i>Salaries and payroll expenses</i>	2022	2021
Salaries	44,422,749	24,146,220
Employer’s national insurance contribution	6,397,175	3,469,043
Pension costs	1,939,619	450,380
Other benefits	1,243,549	484,762
Total	<u>54,003,092</u>	<u>28,550,405</u>

During the financial year, the company had the equivalent of 69 full-time employees in total.

Benefits for management executives

	Salary	Pension costs	Other remuneration
Managing Director	1,376,428	67,080	0

The company is required to have an occupational pension scheme in accordance with the Norwegian Mandatory Occupational Pensions Act. The company’s pension scheme meets the requirements under this law.

Loans and collateral to senior executives, elected representatives and shareholders, etc.

Breakdown of auditor’s remuneration as follows:	2022	2021
Audit*	495,200	200,000
Other services*	53,798	35,100
Technical preparation of annual accounts and assessment papers*	41,000	21,500

The audit’s fee is exclusive of VAT

*The specified amount includes audit fees charged in the merged companies

Notes for 2022 accounts

Note 5 - Intangible assets

	Goodwill	R&D	Licenses etc.	Total
Acquisition costs as of 01.01.	10,985,050	10,202,326	1,813,818	23,001,194
Addition of purchased assets	241,234,178	172,144	2,227,356	243,633,678
Additions related to merger	0	0	7,646,995	7,646,995
Acquisition costs as of 31.12.	252,219,228	10,374,470	11,688,169	274,281,867
Acc. depreciation as of 31.12	-52,138,282	-8,637,716	-6,307,696	-67,083,694
Book value as of 31.12.	200,080,946	1,736,754	5,380,473	207,198,173
Depreciation for the year	31,618,944	1,585,355	1,507,194	34,711,493
Depreciation plan	7.5-8 years Straight-line	3 years Straight-line	3 years Straight-line	

There has been goodwill in relation to the mergers with Lin Education AS in 2020 and with Greentech AS in 2022.

<i>Goodwill per company acquisition</i>	Book value as of 31.12.	Econ. life (years)	Depreciated 2022
Lin Education AS	6,591,032	7.5	1,464,672
Greentech AS	193,489,914	8	30,154,272
	<u>200,080,946</u>		

Note 6 - Tangible assets

	Land, buildings, and other real estate	Machinery and plant, etc.	Fixtures, fittings, tools, etc.	Total
Acquisition costs as of 01.01	0	0	6,881,750	6,881,750
Addition of purchased assets	271,903	463,200	3,284,331	4,019,434
Additions related to merger	2,620,528	885,345	7,452,163	10,958,036
Acquisition costs as of 31.12.	2,892,431	1,348,545	17,618,244	21,859,220
Acc. depreciation as of 31.12.	-399,212	-737,059	-12,339,408	-13,475,679
Acc. impairment as of 31.12.	0	0	-1,495,179	-1,495,179
Book value as of 31.12.	2,493,219	611 486	3,783,657	6,888,362
Depreciation for the year	345,012	73,740	1,505,922	1,924,674
Economic life	10 years	3-5 years	3-10 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	

Notes for 2022 accounts

Note 7 – Lease agreements

The company leases premises and IT equipment. They are not recognized in the balance sheet as lease agreements are not considered to be finance lease agreements under generally accepted accounting principles. The agreements are handled for accounting purposes as operating lease agreements, where the lease premium is charged like other operating expenses.

		2022	2021
<i>The company has the following premises:</i>	Agreement expiry		
Lease of premises in Sandefjord	31.08.2031	5,690,728	3,032,882
Lease of premises in Borgeskogen *	31.03.2022	0	2,832,256
Total lease cost		<u>5,690,728</u>	<u>5,865,138</u>
<i>Costs related to other lease agreements</i>			
Lease of IT equipment.		117,911	163,215
Lease of fittings		24,157	1,912
Lease of machinery		247,537	68,820
		<u>389,605</u>	<u>233,947</u>

*The lease agreement for the premises in Borgeskogen has been terminated and costs associated with the termination of the contract were charged in 2021.

Note 8 – Foreign exchange and interest rate risk

Foreign exchange risk:

Changes in exchange rates entail, both directly and indirectly, financial risk for the company through purchases and sales from abroad.

Interest rate risk:

An interest rate risk arises in the short and medium term as a result of the company's debt having a variable interest rate. No fixed interest rate agreements have been made to mitigate this risk. Changes in interest rates may affect investment opportunities in future periods.

Credit risk:

The risk of losses on receivables is considered to be low. The company has not had any major losses on receivables in recent years.

Note 9 – Currency

	2022	2021
Currency losses (disagio)	-27,468,781	-12,185,139
Currency gains (agio)	23,592,691	12,612,702
Total	<u>-3,876,090</u>	<u>427,563</u>

Notes for 2022 accounts

Note 10 – Tax

The tax expense breakdown for the year is as follows:

	2022	2021
Change in deferred tax	4,577,505	1,108,598
Total expense for the year	<u>4,577,505</u>	<u>1,108,598</u>

Calculation of tax base for the year:

	2022	2021
Ordinary profit/loss before tax	-10,891,144	4,038,685
Permanent differences	79,042	0
Recognized group contribution	0	-23,793,767
Change in temporary differences	28,980,475	3,893,060
General income	<u>18,168,373</u>	<u>-15,862,022</u>
Loss carried forward used	-18,168,373	-7,931,745
Group contribution received	0	23,793,767
Tax base for the year	<u>0</u>	<u>0</u>

List of temporary differences

	2022	2021
Assets, including goodwill	198,889,369	6,929,648
Inventory	-438,929	-1,000,000
Outstanding receivables	-790,000	-20,000
Profit and loss account	42,661	0
Provisions for losses on contracts, projects, etc.	0	-976,701
Total	<u>197,703,101</u>	<u>4,932,947</u>
Accumulated loss carried forward before group contribution	<u>-11,512,134</u>	<u>-29,680,507</u>
Net temporary differences as of 31.12.	186,190,967	-24,747,560
Differences not included in deferred tax/tax assets	<u>200,080,946</u>	<u>8,055,703</u>
Total	<u>-13,889,979</u>	<u>-32,803,263</u>
Deferred tax assets/deferred tax (22%)	-3,055,795	-7,216,718
Tax effect of merger with Greentech AS and Alternativ Data AS	<u>0</u>	<u>-416,582</u>
Deferred tax in balance sheet	<u>-3,055,795</u>	<u>-7,633,300</u>

Note – 11 Equity

	Share capital	Capital surplus	Other equity	Total
Equity as of 01.01.	4,109,028	237,971,781	2,930,087	245,010,896
Net profit/loss	0	-15,468,649	0	-15,468,649
Merger effect	0	-14,912,834	-2,930,087	-17,842,921
Equity as of 31.12.	<u>4,109,028</u>	<u>207,590,298</u>	<u>0</u>	<u>211 699 326</u>

Notes for 2022 accounts

Note – 12 Subsidiary, associated company, etc.

Company	Acquired	Office	Assets	Profit/loss 2022	Equity as of 31.12	Book value as of 31.12
Foxway Services AS*	21.03.2016	Stockholm	100%	423	274,230	1,655,878
Foxway Americas LLC*	28.11.2016	Delaware	100%	123,675	683,328	0
Total				124,098	957,558	1,655,878

* Profit/loss and equity are specified as of 31.12.2021.

Note – 13 Pledges and guarantees

<i>Pledged debt</i>	2022	2021
Liabilities to financial institutions	46,241,553	51,594,172

The company has an overdraft facility with a credit limit of NOK 54,000,000.

The company's inventories, accounts receivable, and operating equipment are pledged as security for the overdraft facility.

<i>Pledged as security with book values:</i>	2022	2021
Inventoriesp	95,658,037	66,191,960
Assets	6,888,362	1,109,845
Accounts receivable	190,927,331	44,930,614
Total	293,473,730	112,232,419

Note 14 - Inventories

	2022	2021
Goods purchased for resale – valued at acquisition cost	92,733,234	42,861,831
Goods purchased for resale – valued at fair value	2,924,803	234,200
Goods in transit	0	23,095,929
Total	95,658,037	66,191,960

Note 15 – Losses on receivables

	2022	2021
Provisions as of 01.01.	20,000	20,000
Provisions as of 31.12.	790,000	20,000
Change in provisions for losses on receivables	-770,000	0

Notes for 2022 accounts

Note 16 – Balances with company in the same group and associated company

<i>Receivables</i>	2022	2021
Accounts receivable	65,833,699	11,315,713
Other receivables	11,445,175	43,147,584
Total	77,278,874	54,463,297

<i>Liabilities</i>	2022	2021
Accounts payable	7,541,234	6,403,722
Other current liabilities	93,845,436	60,790,114
Total	101,386,670	67,193,836

Note – 17 Bank deposits

	2022
Restricted withholding taxes amount to	2,067,493

As of 31.12., withholding taxes are NOK 1,965,235.

Note 18 – Share capital and shareholder information

The share capital is made up of:

	Number	Nominal value	Booked
Ordinary shares	97,834	42	4,109,028

List of shareholders in the company as of 31.12:

	Ordinary shares	Assets	Voting share
Foxway AB	97,834	100%	100%

Foxway AB has a business office in Växjö in Sweden. The consolidated financial statements can be disclosed to the parent company on request.

PENNEO

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Claes Martin Hedayat Roos Backman

Chair of Board

On behalf of: Foxway AS

Serial number: 19721207xxxx

IP: 83.209.xxx.xxx

2023-04-05 04:00:32 UTC



Erik Axel Urban Odelind

Member of the Board

On behalf of: Foxway AS

Serial number: 19600715xxxx

IP: 217.10.xxx.xxx

2023-04-05 05:48:58 UTC



Steinar Aune

Managing Director

On behalf of: Foxway AS

Serial number: 9578-5998-4-1060124

IP: 80.203.xxx.xxx

2023-04-06 20:50:08 UTC



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HENKA REVISJON AS

Revisjon og rådgivning
Medlem av Den norske Revisorforening

HENKA REVISJON AS
Statsautoriserte revisorer
Leif Weldings vei 20
NO-3208 Sandefjord

Telefon: 982 07 340
E-post: henry@henka.no
Foretaksregisteret
Org.nr.: NO 914 954 010 MVA
Bank: 2480 15 33554

To the Annual General Meeting of Foxway AS

Independent auditor's report

Opinion

We have audited the annual accounts of Foxway AS, which show a loss of NOK 15,468,649. The annual accounts comprise the balance sheet as of 31 December 2022, the income statement, and cash flow statement for the financial year ended on this date, and notes to the annual accounts, including a summary of significant accounting principles applied.

In our opinion

- the annual accounts comply with current legal requirements, and
- the annual accounts give a fair view of the company's financial position as of 31 December 2022, and of its results and cash flows for the financial year ended on this date, in accordance with the regulations of the Norwegian Accounting Act and with accounting standards and practices generally accepted in Norway.

Basis for opinion

We have conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities and obligations under these standards are described below in the "Auditor's responsibilities and obligations for the audit of the annual accounts" section. We are independent of the company as required by law, regulations, and the International Code of Ethics for professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA rules), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors and the Chief Executive Officer (management) are responsible for the information contained in the Directors' Report. Our opinion on the annual accounts above does not cover the information in the Directors' Report.

As part of conducting our audit of the annual accounts, our responsibility is to read the Directors' Report. The purpose is to assess whether there is any material inconsistency between the Directors' Report and the annual accounts and the knowledge we have obtained during our audit of the annual accounts, or whether the information in the Directors' Report otherwise contains material misstatements. We have a duty to report if the annual report appears to contain material misstatements. We have nothing to report in this respect.

Based on the knowledge we have obtained during the audit, we believe that the Directors' Report

- is consistent with the annual accounts, and
- contains the information that must be provided in accordance with current legal requirements.



HENKA REVISJON AS

Management's responsibility for the annual accounts

Management is responsible for preparing the annual accounts and providing a fair presentation in accordance with the regulations of the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. Management is also responsible for such internal control as they determine necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to irregularities or unintentional errors.

In preparing the annual accounts, management must assess the company's ability to continue as a going concern, disclosing matters related to going concern. The going concern basis of accounting is expected to be used in preparing the annual accounts, insofar as it is not likely that the business will cease operations.

Auditor's responsibilities and obligations for the audit of the annual accounts

Our objective is to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to irregularities or unintentional errors, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from irregularities or unintentional errors and are considered material if, individually or in aggregate, they could reasonably be expected to influence financial decisions made by users on the basis of these annual accounts.

For a more detailed description of what the auditor's responsibilities entail, please visit the website:
<https://revisorforeningen.no/revisjonsberetninger>

Sandefjord, 31 March 2023
Henka Revision AS

Eivind Lea
State Authorized Public Accountant
(signed electronically)

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Eivind Lea

State Authorized Public Accountant

Serial number: 9578-5992-4-3157308

IP: 84.234.xxx.xxx

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