



ecit

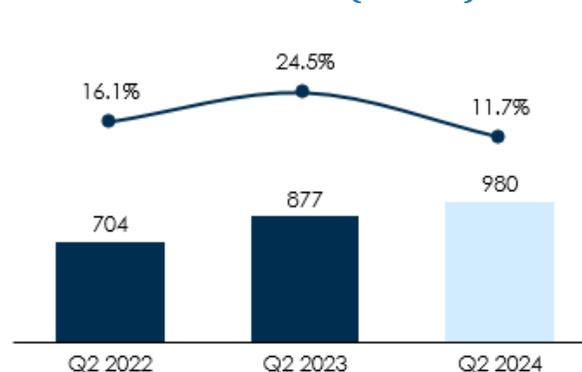
Interim H1 Report 2024



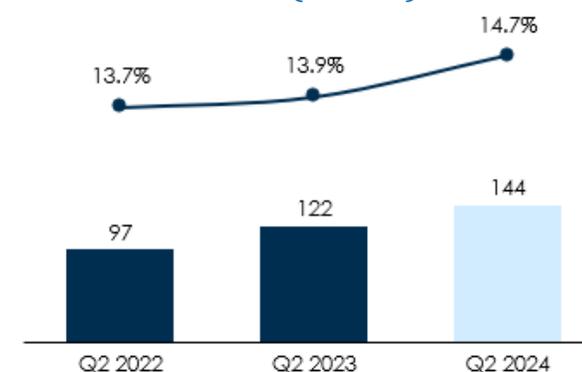
Q2 2024

- Revenue was NOK 980 million (877) representing a growth of 11.7% (24.5%). Organic growth was 3.1% (6.0%), and M&A growth was 9.4% (14.3%).
- The second quarter's performance was fairly in line with expectations. The negative Easter effects from the first quarter of 2024 were offset in the second quarter of 2024.
- Although parts of the IT business continue to face challenging market conditions, both the F&A and the Tech divisions achieved reasonable organic revenue growth.
- During the second quarter of 2024, a Swedish F&A company, Pragati AB, was acquired, representing annual revenue of NOK 24 million.
- The EBITDA result was NOK 144 million (122) with a margin of 14.7% (13.9%). This result was in line with management expectations.
- Free cash flow was NOK 57 million (55) – while this represents a positive development, net working capital was negatively impacted by the timing of customer invoicing/collection in June. The effect is expected to be offset in the third quarter of 2024.

Total revenue (NOKm)



EBITDA (NOKm)



(NOKm)	Q2 2024	Q2 2023	Growth	H1 2024	H1 2023	Growth
Revenue	980	877	11.7%	1,979	1,739	13.8%
EBITDA	144	122	18.3%	256	237	8.0%
EBITA	111	88	26.1%	189	175	7.8%
EBIT	83	64	29.5%	132	128	3.3%
Profit for the period	42	41	1.6%	70	90	-22.4%
Adjusted profit for the period	54	45	19.1%	86	95	-9.5%
Free cash flow	57	55	2.8%	125	165	-24.0%
Adjusted diluted EPS	0.07	0.06	13.6%	0.11	0.12	-6.5%
Total revenue growth	11.7%	24.5%	-12.8 p.p.	13.8%	25.2%	-11.4 p.p.
Organic revenue growth	3.1%	6.0%	-2.9 p.p.	3.4%	8.4%	-5 p.p.
M&A revenue growth	9.4%	14.3%	-4.9 p.p.	10.0%	13.2%	-3.2 p.p.
EBITDA-margin	14.7%	13.9%	0.8 p.p.	12.9%	13.6%	-0.7 p.p.
EBITA-margin	11.3%	10.0%	1.3 p.p.	9.5%	10.1%	-0.5 p.p.
EBIT-margin	8.5%	7.3%	1.2 p.p.	6.7%	7.1%	-0.4 p.p.

Management Report

A voluntary offer of NOK 10 kroner per share to ECIT shareholders was launched on September 4, 2024. The offer period will expire on 1 October 2024, if not extended. The offer is subject to certain conditions.

Peter Lauring, Group CEO:

"It has been a pleasure to experience ECIT grow as a listed company since 2021. This offer, with the opportunity for eligible shareholders to roll over their shareholding in-whole or in-part, provides a possibility to follow along on the continued growth of ECIT and take part in ECIT's long-term value creation potential in a private setting. The partnership with TowerBrook provides ECIT with both value-creation expertise and long-term financing."

Financial review

The performance in the second quarter was fairly in line with our expectations. The negative Easter effects from the first quarter of 2024 were offset in the second quarter of 2024.

Revenue for the first half of 2024 was NOK 1,979 million (1,739), representing a revenue growth of 13.8% (25.2%). Organic growth accounted for 3.4% (8.4%), while acquired revenue growth was 10.0% (13.2%). Currency effects were positive by 0.4% (3.6%).

There was one working day fewer in the first half of 2024 compared to the same period last year.

Organic revenue growth of 3.4% for the first six months of the year was driven by acceptable growth in the F&A and Tech

divisions. However, the projects and hardware parts of the IT business continue to face challenging market conditions.

Although we see signs of stabilisation, the outlook within projects and hardware parts remains somewhat uncertain. Other business areas of the IT Division are performing in line with expectations.

EBITDA results for the first half year were NOK 256 million (237) with a margin of 12.9% (13.6%). The decrease in EBITDA margin was negatively impacted by one fewer working day compared to the same period last year and macroeconomic headwinds, including lower IT spending in certain areas of our IT business. The general cost savings program announced in February 2024 is progressing as planned, and its effects will gradually become visible throughout the year.

Free cash flow was NOK 125 million (165). The development can mainly be explained by net working capital fluctuations between quarters, which come from trade receivables (customer invoicing and collection). The negative effect on net working capital in the second quarter is expected to be offset in the third quarter.

Net-interest-bearing debt, excluding the leasing effect, was NOK 543 million (221). The increase in debt is primarily due to the execution of the strategy of increasing subsidiary ownership, which represents total spending of NOK ~140 million. As of June 2024, the average ownership shares in subsidiaries were 75.0% (68.9%).

The profit for the first half year totalled NOK 70 million (90). However, after adjusting for one-off items, the result was NOK

86 million (95). The one-off items in the first half of 2024 mainly consisted of expenses related to the ongoing cost-saving program. One-off items amounted to NOK 14 million (5).

The lower profit for the first half of 2024 compared to the last year is primarily due to increased financial expenses, resulting from higher debt. Interest expenses totalled NOK 24 million (13). Additionally, amortisations have increased during the first six months of the year mainly due to software investments within the Tech division. Such amortisations amounted to NOK 23 million (16).

The adjusted diluted earnings per share were NOK 0.11 (NOK 0.12). ECIT's share of profit for the first half year was 62.2% (57.8%).

M&A activities

During the first half of 2024, four companies were acquired, three were consolidated into ECIT and one is an associated company.

- Zirus AS (~25%)
- Frejs Konsulenter AB (100%)
- Företagsbyrå i Luleå AB (75%)
- Pragati (91%)

Acquired companies (consolidated only) for the first half of 2024, including acquired customer portfolios in Iceland, represent NOK 59 million in annualised revenue.

Financial Highlights 2024

(NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Condensed Income Statement				
Revenue	980	877	1,979	1,739
EBITDA	144	122	256	237
EBITA	111	88	189	175
EBIT	83	64	132	128
Transaction and restructuring costs	-9	-4	-14	-5
Financial items, net	-19	-6	-27	-8
Profit for the period	42	41	70	90
Adjusted profit for the period	54	45	86	95
Profit for the period attributable to				
ECIT AS' shareholders, NOKm	21	22	39	50
Non-controlling interests, NOKm	21	19	31	40
Financial position				
Total assets			3,856	3,507
ECIT shareholders' share of equity			1,346	1,362
Non-controlling interest			445	424
Net working capital			-77	-90
Net Interest-bearing debt ex. IFRS 16			543	221
Net interest-bearing debt (NIBD)			827	481
Estimated option debt (not part of NIBD)			575	580
Net debt to EBITDA (Leverage ratio)			1.58x	0.96x
Solvency ratio, %			46.4%	50.8%
Cash Flow				
Operating activities	95	84	197	224
Free cash flow	57	55	125	165
Investing activities	-61	-116	-133	-152
Financing activities	-48	-15	-112	-85
Cash flow for the period	-13	-47	-48	-13
CAPEX in % of revenue	1.9%	0.5%	1.4%	0.6%
Software development in % of revenue	1.9%	1.7%	1.7%	1.7%

Notes:

EBITDA, EBITA and EBIT are shown before transaction and restructuring costs.

For definitions of APM's and other ratios, please refer to the section "Definition of Financial Highlights and Ratios".

(NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Key figures				
Total revenue growth, %	11.7%	24.5%	13.8%	25.2%
Total organic revenue growth, %	3.1%	6.0%	3.4%	8.4%
Total M&A revenue growth, %	9.4%	14.3%	10.0%	13.2%
Currency effect on growth, %	-0.7%	4.1%	0.4%	3.6%
EBITDA margin, %	14.7%	13.9%	12.9%	13.6%
EBITA margin, %	11.3%	10.0%	9.5%	10.1%
EBIT margin, %	8.5%	7.3%	6.7%	7.1%
Effective tax rate, %	24.6%	24.5%	24.1%	23.4%
Other financial ratios				
Recurring & repeatable revenue share			79%	78%
Proforma revenue, last 12 months			3,752	3,446
Proforma EBITDA, last 12 months			525	501
Proforma EBITDA-%, last 12 months			14.0%	14.5%
ESG Data (selected)				
Full-time workforce (FTEs)			2,589	2,502
Gender diversity (F/M)			59%/41%	60%/40%
Gender diversity, managerial (F/M)			61%/39%	51%/49%
Employee engagement score (EES)			84	83
Ownership structure				
Average majority share of revenue & EBITDA, %			75.0%	68.9%
Majority share of profit for the year, %			55.8%	56.7%
Majority share of adjusted profit for the year, %			62.2%	57.8%
Stock-related key figures				
Diluted EPS, NOK	0.04	0.05	0.08	0.11
Adjusted diluted EPS, NOK	0.07	0.06	0.11	0.12
Total number of shares issued ('000)			465,008	452,853
Total number of treasury shares ('000)			2,017	573

Financial Review – Group Performance

Results for the period

For the first six months of 2024, ECIT's revenue growth was 13.8% (25.2%), with total group revenue reaching NOK 1,979 million (1,739).

Organic growth was 3.4% (8.4%), while acquired growth was 10.0% (13.2%). Currency effects impacted revenue growth by 0.4% (3.6%). The acquired revenue growth of 10.0% resulted from acquisitions made last year as well as those acquired in the first half year of 2024.

ECIT operates in 10 countries, with Norway being the most significant contributor to revenue, representing approx. 70% (68%). The second-largest country is Sweden, representing approx. 14% (15%) of revenue.

EBITDA before transaction and restructuring costs amounted to NOK 256 million (237) for the first half of 2024.

During the first six months of 2024, net financial items were minus NOK 27 million (-8). The development compared to last year can mainly be explained by higher interest expenses of NOK 24 million (13) from increased debt and lower foreign exchange gains of NOK 3 (10).

The profit for the period was NOK 70 million (90). When adjusted for one-off items, the profit amounts to NOK 86 million, compared to NOK 95 million last year. Excluding one-off items, the adjusted diluted earnings per share was NOK 0.11 (0.12).

(NOKm)	H1 2024	H1 2023
Profit for the period	70	90
Transaction & restructuring costs	14	5
Earn Out assesment	-2	0
Net loss from other financial assets	5	0
Net income from associated companies	-1	0
One-off items, total	16	5
Adjusted profit for the period	86	95
<i>Attributeable to:</i>		
Shareholders in ECIT AS, NOKm	53	55
Non-controlling interests, NOKm	33	40
Shareholders in ECIT AS, %	62.2%	57.8%
Non-controlling interests, %	37.8%	42.2%
Diluted EPS, NOK 1	0.08	0.11
Adj. diluted EPS, NOK 1	0.11	0.12

Cash flow summary

Cash flow from operating activities in the first half of 2024 was NOK 197 million, compared to NOK 224 million last year.

The decrease in cash flow from operating activities is primarily due to negative net working capital development driven by quarter-over-quarter fluctuations related to trade receivables (customer invoicing and collection). This negative impact is expected to be offset in the third quarter of 2024.

Cash flow from investing activities amounted to negative NOK 133 million compared to negative NOK 152 million last year.

Free cash flow, adjusted for transaction and restructuring costs, net investments in tangible assets, and lease payments, amounted to NOK 125 million in the first half of 2024 (165). The development in free cash flow is mainly attributed to lower operating cash flow due to changes in net working capital. The increased investment in tangible assets is related to ECIT's new headquarters in Oslo. The headquarters can accommodate up to 350 employees and covers a total of 5,375 square meters, providing significant space for future growth.

Cash from financing activities was negative NOK 112 million, compared to negative NOK 85 million last year. Transactions with minority shareholders, including the exercise of increased ownership during the first half of 2024, mainly impacted the financing activities.

(NOKm)	H1 2024	H1 2023
Cash flow from operations	197	224
Cash flow from investing	-133	-152
Cash flow from financing	-112	-85
Cash flow for the period	-48	-13
Cash flow from operations	197	224
Transaction & restructuring costs	14	5
Net investments, tangible assets	-28	-11
Repayment of lease liabilities	-57	-53
Free cash flow	125	165

Capital structure & finances

ECIT shareholder's share of equity

On 30 June 2024, ECIT AS shareholders' equity share amounted to NOK 1,346 million (1,362).

ECIT's portfolio of treasury shares amounted to 2,016,954 shares on 30 June 2024 (573,328).

The ordinary annual dividend for 2023 was NOK 0.06 per share (0.04), and paid to shareholders in April 2024, amounting to NOK 28 million (18).

Net interest-bearing debt ('NIBD')

As of 30 June 2024, the net interest-bearing debt amounted to NOK 827 million, compared to NOK 481 million last year.

The increase in net interest-bearing debt is mainly due to the strategy of increasing subsidiary ownership and acquisitions completed in the past twelve months. Additionally, lease liabilities have increased, primarily due to the lease of our new headquarters in Fornebu, Oslo.

The financial gearing ratio (NIBD/EBITDA) was 1.58x on 30 June 2024, compared to 0.96x last year.

Leasing liabilities (IFRS16 lease accounting) have a significant impact on ECIT's financial liabilities and consist mainly of office rentals.

ECIT has the option to acquire the minority shares in its partly owned subsidiaries within an agreed period. Most options can be utilised at a price based on last year's EBITDA multiplied by a fixed factor.

The estimated minority option obligation (i.e., the price to exercise all options to reach 100% ownership) as of 30 June 2024 was NOK ~575 million compared to NOK ~580 million as of 30 June 2023.

(NOKm)	Q2 2024	Q2 2023
Borrowings	751	464
Lease liabilities	284	260
Total interest bearing liabilities	1.035	724
Interest bearing receivables	67	65
Cash and cash equivalents	141	178
Total interest bearing assets	208	243
Net debt / Net cash (-)	827	481
EBITDA, LTM	525	501
Debt leverage	1.58x	0.96x

Credit facility

As of 30 June 2024, NOK 739 million (405) of the credit facility has been utilised, leaving an undrawn balance of NOK 261 million (345).

The leasing facility has been utilised for NOK 11 million (11); the total available amount is NOK 39 million (39).

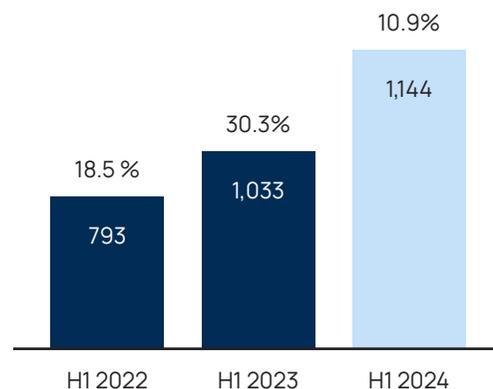
The credit facility was increased by NOK 250 million in April 2024 to a total of NOK 1 billion. The bank covenants remain unchanged.

(NOKm)	H1 2024	H1 2023
Revolving facility gross	1,000	750
Revolving facility utilised	-739	-405
Net revolving facility available	261	345
Leasing facility gross	50	50
Leasing facility utilised	-11	-11
Net leasing facility available	39	39

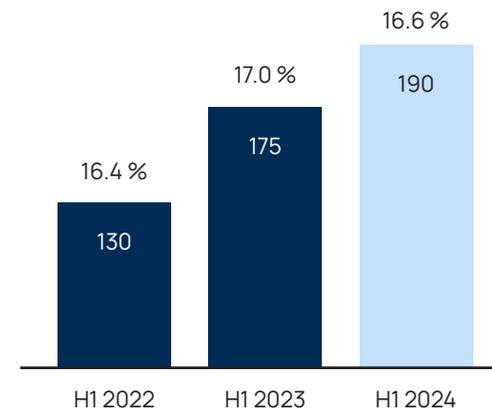
F&A Division Highlights

- The F&A division delivered a total revenue of NOK 571 million (523) for the second quarter, representing a growth of 9.3% (29.8%). For the first half of 2024, total revenue was NOK 1,144 million (1,033), reflecting a growth of 10.9% (30.3%).
- The F&A division achieved acceptable organic revenue growth in the second quarter of 2024, a trend that also holds for the first half of 2024. Despite challenging macroeconomic conditions, we continue to observe good demand for our services in the F&A division.
- For the first half of 2024, EBITDA was NOK 190 million (175), representing a margin of 16.6% (17.0%). Note that the first half of 2024 had one working day fewer than the previous year.
- During the first six months of 2024, three Swedish companies were acquired within the F&A division:
 - Frejs Konsulent AB strengthens our presence within F&A in one of the largest cities in Sweden.
 - Företagsbyrån i Luleå AB strengthens our presence within F&A in Northern Sweden.
 - Pragati AB strengthens our presence within F&A in the southern part of Sweden.

Total revenue (NOKm)



EBITDA & EBITDA margin (%)

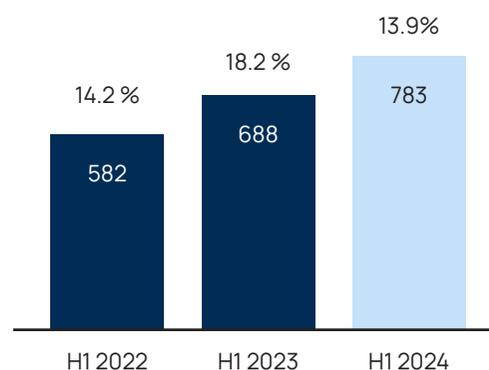


(NOKm)	Q2 2024	% 2024	Q2 2023	% 2023	H1 2024	% 2024	H1 2023	% 2023
Total revenue growth	9.3%		29.8%		10.9%		30.3%	
Total EBITDA growth	10.0%		32.4%		8.3%		36.3%	
Revenue	571	100%	523	100%	1,144	100%	1,033	100%
Cost of HW and SW	-46	8.1%	-48	9.2%	-93	8.1%	-88	8.4%
Contribution margin	526	92.1%	475	90.8%	1,052	92.0%	944	91.4%
Personnel expenses	-352	61.6%	-312	59.8%	-714	62.4%	-629	60.8%
Other operating costs	-73	12.8%	-72	13.8%	-148	12.9%	-141	13.6%
EBITDA	100	17.5%	91	17.3%	190	16.6%	175	17.0%
EBITDA-%	17.5%		17.3%		16.6%		17.0%	

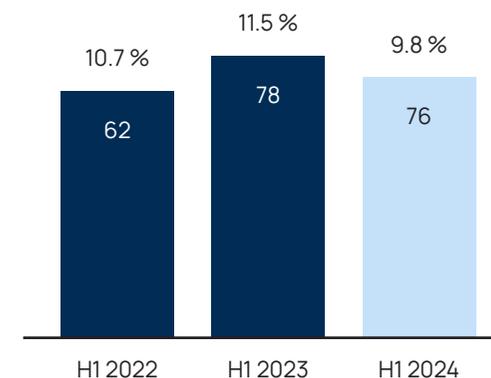
IT Division Highlights

- The IT division delivered a total revenue of NOK 379 million (339) for the second quarter, reflecting a growth of 11.8% (15.5%). For the first half of 2024, the division delivered a total revenue of NOK 783 million (688), representing a growth of 13.9% (18.2%).
- Challenging market conditions, driven by macroeconomic headwinds and general uncertainty, have resulted in lower IT revenue growth. We are experiencing increased pressure on IT spending in the business areas of IT consultancy and hardware/project revenue.
- Although we see signs of stabilisation, the outlook remains somewhat uncertain. Other business areas of the IT Division are performing in line with expectations.
- EBITDA for the second quarter was NOK 46 million (37), representing an improved margin, increasing from 10.9% last year to 12.2% in 2024.
- For the first half of 2024, EBITDA was NOK 76 million (78) with a margin of 9.8% (11.5%). The margin decline is primarily due to reduced IT spending as a result of challenging market conditions in certain areas of our IT business.

Total revenue (NOKm)



EBITDA & EBITDA margin (%)



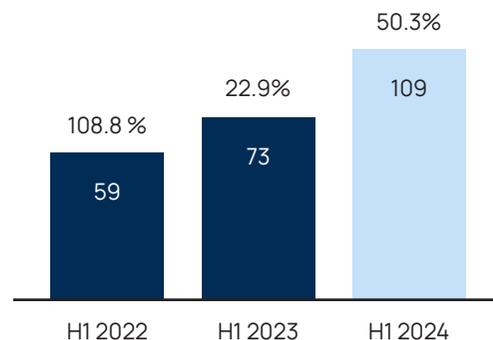
(NOKm)	Q2 2024	% 2024	Q2 2023	% 2023	H1 2024	% 2024	H1 2023	% 2023
Total revenue growth	11.8%		15.5%		13.9%		18.2%	
Total EBITDA growth	25.9%		23.5%		-2.9%		27.4%	
Revenue	379	100%	339	100%	783	100%	688	100%
Cost of HW and SW	-113	29.8%	-115	33.9%	-260	33.2%	-226	32.8%
Contribution margin	266	70.2%	224	66.1%	523	66.8%	462	67.2%
Personnel expenses	-185	48.8%	-163	48.1%	-377	48.1%	-331	48.1%
Other operating costs	-34	9.0%	-24	7.0%	-70	8.9%	-52	7.6%
EBITDA	46	12.2%	37	10.8%	76	9.8%	78	11.5%
EBITDA-%	12.2%		10.9%		9.8%		11.5%	

Note: Personnel expenses include cost to external consultants

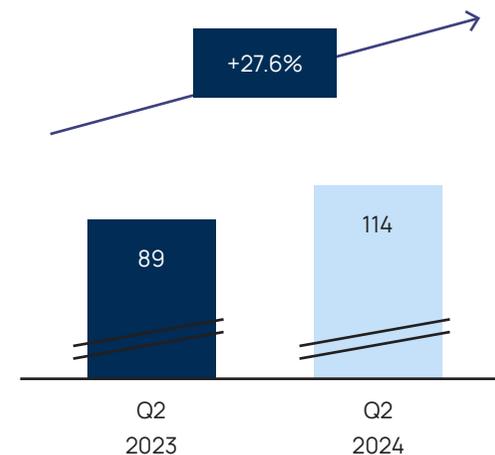
Tech Division Highlights

- Revenue for the quarter was NOK 55 million (38), reflecting a growth rate of 45.2% (22.3%). For the first half of 2024, total revenue was NOK 109 million (73), representing a growth of 50.3% (22.9%). The high revenue growth is partly attributed to M&A activity from acquisitions completed last year.
- The Tech division continued to grow steadily during the second quarter. Revenue growth is primarily driven by increased demand for software solutions and steady growth in our accounting and payroll software services.
- Annual recurring revenue (measured on core own-developed software products), increased by 27.6%.
- The amount of capitalised software has increased as we further develop our software solutions within the product lines of Payroll, Accounting, and Office support.
- During the first six months of 2024, ZiriUS AS was acquired within the Tech division. ZiriUS AS offers ERP software for customers in the upper SME segment. This investment strengthens ECIT's position within accounting software in Norway and aligns well with our digital development goals.

Total revenue (NOKm)



Annual Recurring Revenue (ARR)



(NOKm)	Q2 2024	% 2024	Q2 2023	% 2023	H1 2024	% 2024	H1 2023	% 2023
Total revenue growth	45.2%		22.3%		50.3%		22.9%	
Revenue	55	100%	38	100%	109	100%	73	100%
Sales of services	15	27.2%	6	16.6%	31	28.2%	12	16.4%
SaaS Services	40	72.1%	32	84.2%	78	71.1%	61	83.7%
Cost of HW and SW	-10	18.1%	-8	21.1%	-20	18.3%	-14	19.2%
Contribution margin	45	81.7%	30	78.9%	90	82.6%	58	79.5%
Personnel expenses	-35	63.5%	-22	57.9%	-72	66.1%	-42	57.5%
Other operating costs	-9	16.3%	-10	26.3%	-18	16.5%	-16	21.9%
EBITDA	1	1.5%	-2	-4.0%	0	-0.1%	0	-0.2%
Capitalized software	-19	34.1%	-15	39.5%	-34	31.0%	-29	39.7%
EBITDA-%	1.5%		-4.0%		-0.1%		-0.2%	

Note: ARR = Annual recurring revenue (ARR) refers to revenue, normalised on an annual basis

Shareholder Information

Share capital

As of 30 June 2024, the total share capital comprises 465,007,773 shares with a nominal value of NOK 1 each. The share capital consists of three share classes, with the B-shares traded on the Euronext Growth stock exchange.

Treasury shares

A total of 163,022 treasury shares were sold during the first half-year of 2024.

A total of 1,188,753 treasury shares were acquired during the first half-year of 2024.

On 30 June 2024, 2,016,954 shares were held as treasury shares, corresponding to 0.4% of the share capital.

Incentive scheme

During the first half-year of 2024, costs related to the incentive scheme amounted to NOK 4.5 million.

An additional share-based incentive scheme was approved at the Annual General Meeting in March 2024. In June 2024, most warrants were granted to employees, management, and board members.

Shareholders

Our shareholders are primarily located in the Nordic countries, with 58% based in Norway.

More than 64% of the shares are still owned by employees and management, with the top management representing 20% and employees and partners accounting for over 44%.

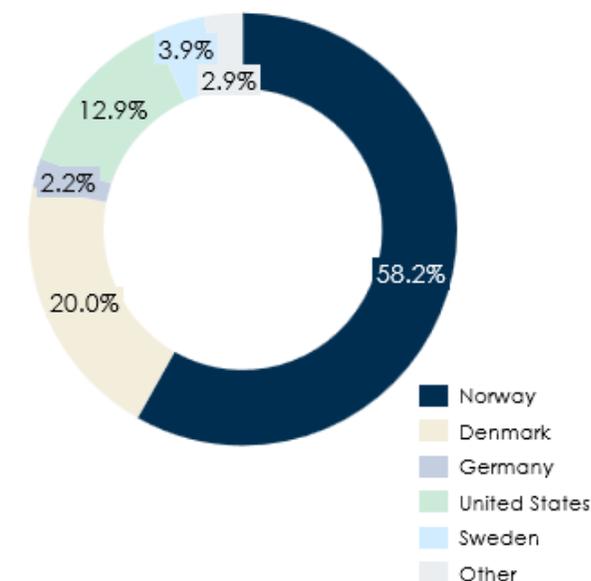
As of 30 June 2024, ECIT AS has no majority shareholders. Peter Lauring holds 49.9% of the voting shares of the Group.

Financial calendar

The financial calendar for 2024 is as follows:

Event	Date
Interim financial report H1 2024	23 September 2024
Interim financial report Q3 2024	7 November 2024

Shareholders per country





Condensed Consolidated Interim Financial Statements

Income Statement

(NOKm)	Note	Q2 2024	Q2 2023	H1 2024	H1 2023
Revenue	2.1	980	877	1,979	1,739
Cost of hardware and software licences		-159	-160	-378	-321
Contribution margin		822	718	1,602	1,419
Personnel expenses		-595	-530	-1,197	-1,052
Other operating costs		-82	-66	-149	-131
Operating profit before amortisation, depreciation and restructuring & transaction costs (EBITDA)		144	122	256	237
Restructuring & transaction costs	2.2	-9	-4	-14	-5
Operating profit before amortisation, depreciation		136	118	242	232
Amortizations and depreciations	2.3	-61	-58	-124	-109
Operating profit		74	60	119	123
Share of profit or loss of associates accounted for using the equity		0	0	1	2
Financial income	2.4	6	6	12	14
Financial expenses	2.4	-25	-12	-39	-22
Profit before tax		55	54	92	118
Tax on profit for the period	2.5	-14	-13	-22	-28
Profit for the period		42	41	70	90
Attributable to:					
Shareholders in ECIT AS		21	22	39	50
Non-controlling interests		21	19	31	40

Statement of Other Comprehensive Income

(NOKm)	Note	Q2 2024	Q2 2023	H1 2024	H1 2023
Profit for the period		42	41	70	90
<i>Items that may be reclassified to the income statement:</i>					
Foreign exchange adjustments of subsidiaries		-13	5	2	40
Value adjustments of hedging instruments		1	6	5	5
Other comprehensive income		-12	11	7	45
Total comprehensive income		30	52	77	135
<i>Attributable to:</i>					
Shareholders in ECIT AS		10	29	49	91
Non-controlling interests		19	23	28	44
Earnings per share					
Earnings per share (NOK)	3.2	0.04	0.05	0.08	0.11
Diluted earnings per share (NOK)	3.2	0.04	0.05	0.08	0.11
Adjusted earnings per share					
Adjusted earnings per share (NOK)	3.2	0.07	0.06	0.12	0.12
Adjusted diluted earnings per share (NOK)	3.2	0.07	0.06	0.11	0.12

Cash Flow Statement

(NOKm)	Note	Q2 2024	Q2 2023	H1 2024	H1 2023
Revenue excluding investment income		980	877	1,979	1,739
Operating expense excluding amortisations & depreciations		-836	-755	-1,723	-1,502
Operating profit before amortisation, depreciation and restructuring & transaction costs		144	122	256	237
Restructuring & transaction costs		-9	-4	-14	-5
Corporation tax, paid		-25	-15	-50	-37
Change in net working capital (NWC)		-15	-18	4	29
Cash flow from operating activities (A)		95	84	197	224
Investments in tangible assets		-19	-4	-28	-11
Investments in software		-19	-15	-34	-29
Investments in subsidiaries	4.1	-23	-86	-40	-97
Investments in other activities		-12	-14	-41	-20
Proceeds from sale of other financial instruments		3	0	3	2
Change in other financial assets		9	3	6	3
Cash flow from investing activities (B)		-61	-116	-133	-152

(NOKm)	Note	Q2 2024	Q2 2023	H1 2024	H1 2023
Cash flow from operating and investing activities (A+B)		35	-32	64	72
Repayment of lease liabilities		-29	-29	-57	-53
Net change in credit facilities		127	130	164	105
New loans received		0	1	0	2
Downpayments on loans		-8	0	-32	-16
Interest received		3	2	5	4
Interest paid		-13	-9	-24	-16
Purchase of treasury shares		-2	-9	-8	-11
Transactions with minorities		-23	5	-57	7
Dividends distributed, ECIT AS		-28	-18	-28	-18
Dividends distributed, minorities		-75	-87	-75	-88
Cash flow from financing activities		-48	-15	-112	-85
Cash flow for the period		-13	-47	-48	-13
Cash and cash equivalents 1 January		157	224	190	183
Cash flow for the period		-13	-47	-48	-13
Currency translation adjustments		-3	1	-1	8
Cash and cash equivalents end of period		141	178	141	178

Balance Sheet

(NOKm)	Note	30 JUN 2024	30 JUN 2023	31 DEC 2023
Goodwill		1,694	1,519	1,670
Customer contracts		401	417	411
Software		202	161	199
Total non-current intangible assets		2,297	2,097	2,280
Land, buildings and equipment		78	62	64
Right-of-use assets		274	250	272
Total non-current tangible asset		352	312	336
Other financial assets		67	44	68
Investments in associates		108	74	68
Other receivables, interest bearing		52	51	61
Other receivables		16	17	15
Deferred tax assets		60	47	53
Total non-current financial assets		302	233	265
Total non-current assets		2,951	2,642	2,881
Inventories		13	16	15
Trade receivables		536	468	500
Tax receivables		10	18	2
Other receivables, interest bearing		15	14	10
Other receivables		97	97	106
Prepaid expenses		94	74	63
Cash and cash equivalents		141	178	190
Total current assets		905	865	886
Total assets		3,856	3,507	3,767

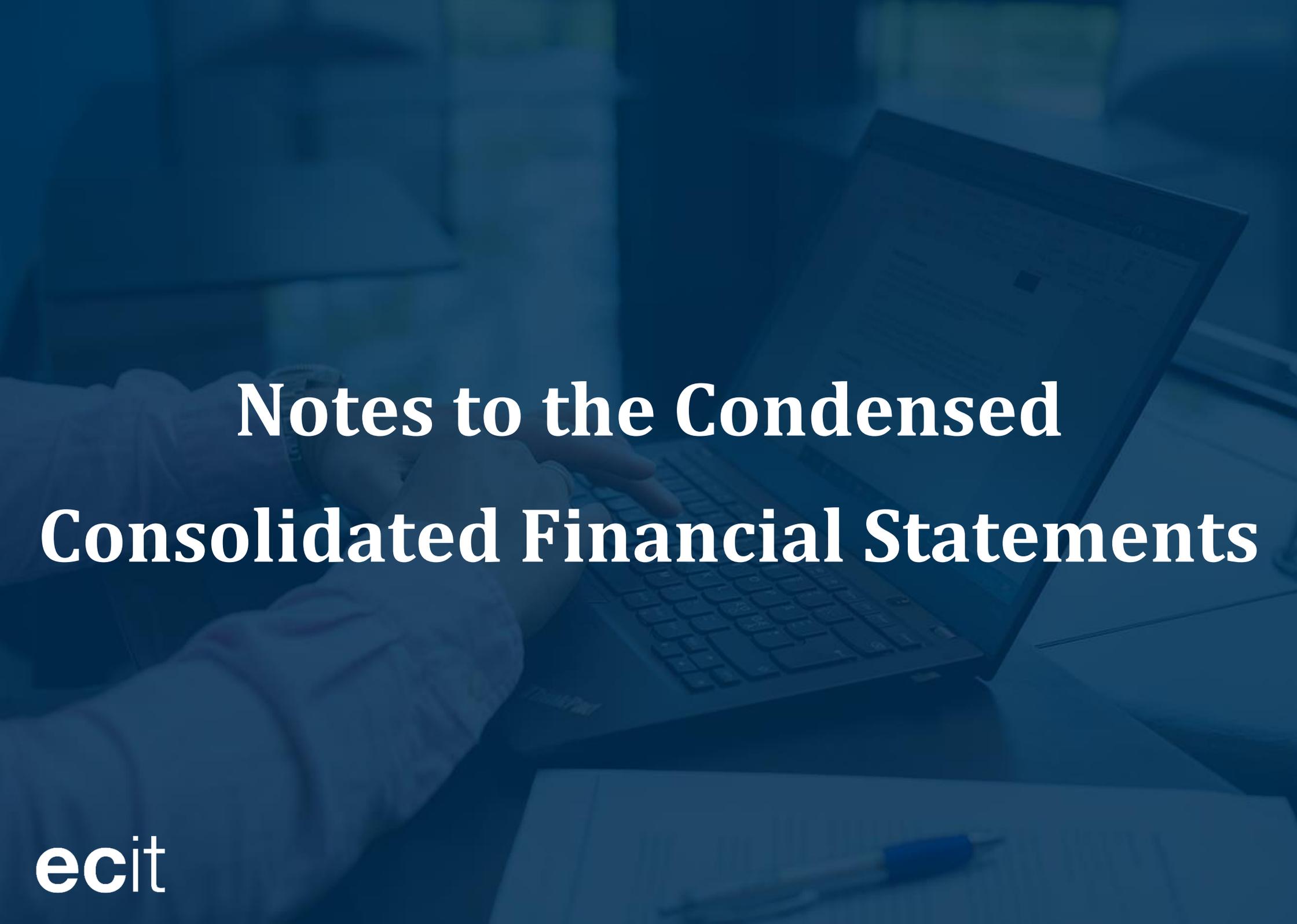
(NOKm)	Note	30 JUN 2024	30 JUN 2023	31 DEC 2023
Share capital	3.1	465	453	454
Treasury shares		-2	-1	-1
Reserves and retained earnings		882	910	930
ECIT AS shareholders share of equity		1,346	1,362	1,383
Non-controlling interest		445	424	500
Total equity		1,791	1,786	1,883
Lease liabilities	3.3	181	162	181
Borrowings	3.3	748	447	584
Provisions		57	47	58
Other non-current liabilities		7	4	7
Deferred tax liabilities		108	109	106
Total non-current liabilities		1,101	768	936
Lease liabilities	3.3	103	98	102
Borrowings (interest bearing)	3.3	3	17	35
Provisions		11	31	11
Tax payables		24	55	47
Trade payables		154	144	184
Deferred income		83	76	65
Dividend		7	8	0
Other current liabilities		579	525	504
Total current liabilities		965	953	948
Total equity and liabilities		3,856	3,507	3,767

Statement of Changes in Equity 2024

(NOKm)	Share Capital	Not reg. Capital increase	Share premium	Other reserves	Retained earnings	Total	Non- controlling interests	Total equity
Equity at 1 January 2024	454	78	782	46	23	1,383	500	1,883
Profit for the period	0	0	0	0	39	39	31	70
Net exchange differences recognized in OCI	0	0	0	5	0	5	-3	2
Value adjustments of hedging instruments	0	0	0	5	0	5	0	5
Other comprehensive income	0	0	0	10	0	10	-3	7
Total comprehensive income	0	0	0	10	39	49	28	77
<i>Transactions with shareholders:</i>								
Capital increase	0	0	0	0	0	0	0	0
Dividends distributed	0	0	0	0	-28	-28	-82	-110
Sale of treasury shares	0	0	0	0	0	1	0	1
Purchase of treasury shares	0	0	0	-1	-7	-8	0	-8
Effect of business combinations	0	0	0	0	1	1	6	7
Transactions of shares with non-controlling interests	11	-78	67	0	-51	-51	-6	-57
Share-based payments	0	0	0	0	4	4	0	4
Other adjustments	0	0	0	0	-5	-5	-1	-6
Total transactions with shareholders	11	-78	67	-1	-85	-86	-83	-169
Equity at 30 June 2024	465	0	849	55	-23	1,346	445	1,791

Statement of Changes in Equity 2023

(NOKm)	Share Capital	Not reg. Capital increase	Share premium	Other reserves	Retained earnings	Total	Non- controlling interests	Total equity
Equity at 1 January 2023	452	6	769	5	57	1,288	364	1,652
Profit for the period	0	0	0	0	50	50	40	90
Net exchange differences recognized in OCI	0	0	0	36	0	36	4	40
Value adjustments of hedging instruments	0	0	0	5	0	5	0	5
Other comprehensive income	0	0	0	41	0	41	4	45
Total comprehensive income	0	0	0	41	50	91	44	135
<i>Transactions with shareholders:</i>								
Capital increase	1	-6	6	0	0	0	0	0
Dividends distributed	0	0	0	0	-18	-18	-94	-112
Sale of treasury shares	0	0	0	1	7	8	0	8
Purchase of treasury shares	0	0	0	-1	-9	-10	0	-10
Effect of business combinations	0	0	0	3	18	20	110	20
Transactions of shares with non-controlling interests	0	0	0	0	-13	-13	0	-13
Share-based payments	0	0	0	0	2	2	0	2
Other adjustments	0	0	-1	0	-4	-5	0	-5
Total transactions with shareholders	1	-6	5	2	-18	-17	16	-111
Equity at 30 June 2023	453	0	774	47	89	1,362	424	1,786



Notes to the Condensed Consolidated Financial Statements

ecit

1. Basis for Preparation

This section provides an overview of the financial accounting policies and key accounting estimates used to prepare the Group's consolidated interim financial statements.

ECIT AS is a limited liability company registered in Norway. The Group's head office is at Rolfsbuktveien 2, NO-1364 Fornebu, Norway. The Group's activities include accounting, payroll, financial advisory, IT and Tech sales and services, and debt collection services (other).

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared following IAS 34 Interim Financial Reporting.

The Group has prepared the financial statements so that it will continue to operate as a going concern. The Directors consider that no material uncertainties may cast significant doubt over this assumption. After careful evaluation, they have determined that the Group has adequate resources to continue operating for the foreseeable future, not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements. They should be read with the Group's annual consolidated financial statements as of 31 December 2023.

The interim condensed consolidated financial statements were authorised for issue by the board of directors on 22 September 2024. The statements are unaudited.

1.1 Accounting policies, estimates, and judgments

The condensed consolidated interim financial statements for the period 1 January – 30 June 2024 comprise the consolidated financial statements of the subsidiaries controlled by the parent company (the Group).

The financial statements apply principles based on historical cost, except for liabilities related to contingent consideration for acquisitions measured at fair value. These are disclosed under each relevant chapter and sub-chapter if specific valuation techniques and inputs are used.

The consolidated financial statements are prepared based on uniform accounting policies for equivalent transactions and events in similar circumstances. The ECIT Annual Report 2023 provides a full description of the Group's accounting policies.

2. Profit for the period

2.1 Segments information

Note 2.1 Segments information (NOKm)	Q2 2024					Q2 2023				
	F&A Division	IT Division	Tech Division	Group & Elim.	Total	F&A Division	IT Division	Tech Division	Group & Elim.	Total
Revenue	571	379	55	-25	980	523	339	38	-23	877
Cost of hardware and software licences	-46	-113	-10	10	-159	-48	-115	-8	11	-160
Contribution margin	526	266	45	-15	822	475	224	30	-11	718
Personnel expenses	-352	-185	-35	-23	-595	-312	-163	-22	-33	-530
Other operating costs	-73	-34	-9	34	-82	-72	-24	-10	40	-66
Operating profit before amortisation, depreciation and restructuring & transaction costs (EBITDA)	100	46	1	-3	144	91	37	-2	-3	122
Total revenue growth	9.3%	11.8%	45.2%		11.7%	29.8%	15.5%	22.3%		24.5%
EBITDA-%	17.5%	12.2%	1.5%		14.7%	17.3%	10.9%	-4.0%		13.9%
Non-current assets	1,128	755	486	582	2,951	1,114	683	396	449	2,642

Note 2.1 Segments information (NOKm)	Q2 2024					Q2 2023				
	Norway	Sweden	Denmark	Other	Total	Norway	Sweden	Denmark	Other	Total
Revenue	686	140	113	42	980	586	119	132	40	877
Operating profit before amortisation, depreciation and restructuring & transaction costs (EBITDA)	103	16	15	10	144	69	21	25	6	122
Non-current assets	2,182	256	382	131	2,951	1,918	201	396	127	2,642

Note 2.1 Segments information (NOKm)	H1 2024					H1 2023				
	F&A Division	IT Division	Tech Division	Group & Elim.	Total	F&A Division	IT Division	Tech Division	Group & Elim.	Total
Revenue	1,144	783	109	-57	1,979	1,033	688	73	-55	1,739
Cost of hardware and software licences	-93	-260	-20	-5	-378	-88	-226	-14	8	-321
Contribution margin	1,052	523	90	-63	1,602	944	462	58	-46	1,419
Personnel expenses	-714	-377	-72	-34	-1,197	-629	-331	-42	-50	-1,052
Other operating costs	-148	-70	-18	87	-149	-141	-52	-16	78	-131
Operating profit before amortisation, depreciation and restructuring & transaction costs (EBITDA)	190	76	0	-10	256	175	78	0	-16	237
Total revenue growth	10.9%	13.9%	50.3%		13.8%	30.3%	18.2%	22.9%		25.2%
EBITDA-%	16.6%	9.8%	-0.1%		12.9%	17.0%	11.5%	-0.2%		13.6%

Note 2.1 Segments information (NOKm)	H1 2024					H1 2023				
	Norway	Sweden	Denmark	Other	Total	Norway	Sweden	Denmark	Other	Total
Revenue	1,392	274	227	87	1,979	1,177	259	227	76	1,739
Operating profit before amortisation, depreciation and restructuring & transaction costs (EBITDA)	175	33	29	19	256	137	43	43	14	237

2.2 Restructuring & transaction costs

Restructuring and transaction costs are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from items, which by their nature are not related to the Group's ordinary operations or investment in future activities.

Note 2.2 Restructuring & transaction costs (NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Transactions costs	1	4	2	4
Restructuring costs	8	0	12	1
Total	9	4	14	5

Restructuring & transaction costs comprise:

- Transaction costs relating to the acquisition and divestment of enterprises.
- Restructuring costs, relating to fundamental structural, procedural, and managerial reorganisations as well as any related gains or losses on disposals.

Transaction costs related to the acquisition of companies that cannot be capitalised together with the shares. This applies to both completed and uncompleted acquisitions.

Restructuring costs consist mainly of one-time expenses relating to employee termination.

Management judgments and estimates

In the classification of restructuring and transaction costs, judgment is applied to ensure that only items not associated with the ordinary operations of the Group are included.

2.3 Amortisation and depreciation

Amortisation and depreciation related to the following fixed assets in the balance sheet:

Note 2.3 Amortisation and depreciation (NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Software	12	8	23	16
Customer contracts	17	16	34	31
Fixed tangible assets	7	7	14	14
Right-of-use assets	26	27	53	48
Total	61	58	124	109

2.4 Financial items

Financial income and expenses include interest income and expenses, realised and non-realised capital gains/losses on transactions in foreign currency, amortisation of financial assets and liabilities, etc.

Note 2.4 Financial items (NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
<i>Financial income:</i>				
Interest income	3	2	5	4
Exchange rate income	0	4	3	10
Earn out assessment	2	0	2	0
Other financial income	1	0	2	0
Total Financial Income	6	6	12	14
<i>Financial expenses:</i>				
Interest expense, other	-13	-8	-24	-13
Interest expense, lease	-3	-2	-5	-4
Exchange rate expense	-4	-2	-4	-4
Loss on divestment	-5	0	-5	0
Other financial expenses	0	-1	-1	-1
Total Financial Expenses	-25	-12	-39	-22

2.5 Tax

Current payable and receivable taxes are recognised in the balance sheet as taxes calculated on the taxable income for the period adjusted for tax on taxable income for previous periods and prepaid tax.

Note 2.5 Tax (NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Profit before tax	55.2	54.2	92.0	117.7
Calculated tax on profit for the period	12.1	11.9	20.2	25.9
<i>Tax effect of:</i>				
Adjustment of calculated tax in foreign group enterprises relative to 22.0%	-0.3	0.0	-0.7	-0.6
Non-deductible expenses/non-taxable income	1.1	0.5	2.4	1.2
Non-deductible losses/non-taxable gain on shares	0.0	0.0	0.0	0.0
Temporary differences, net	0.0	1.0	0.0	1.2
Other tax adjustments	0.7	0.0	0.2	0.0
Tax of the period	13.6	13.3	22.2	27.7
Effective tax rate	24.6%	24.5%	24.1%	23.4%

3. Capital and financial risk

3.1 Equity

ECIT AS is owned through a multiple-share class structure. Peter Lauring, the CEO and Founder, is the largest owner*, holding 9.2% of the economic interest and 49.9% of the voting rights.

3.2 Earnings per share

Earnings per share (EPS) is calculated according to IAS 33.

Note 3.2 Earnings per share (NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Profit of the period	42	41	70	90
Non-controlling interests' share of consolidated profit for the period	21	19	31	40
ECIT AS shareholders' share of profit for the period	21	22	39	50
('000 shares)				
Total average number of shares	465,008	452,853	462,282	452,786
Average number of treasury shares	-1,887	-2,340	-1,744	-2,540
Average number of warrants	12,205	4,786	11,682	4,387
Diluted average number of shares in circulation	475,325	455,299	472,221	454,633
Earnings per share, NOK 1	0.04	0.05	0.08	0.11
Diluted earnings per share, NOK 1	0.04	0.05	0.08	0.11

3.3 Net interest-bearing debt

The net interest-bearing debt amounts to NOK 827 million as of 30 June 2024, compared to a net debt balance of NOK 481 million last year.

Note 3.3 Net interest-bearing debt (NOKm)	H1 2024	H1 2023
Borrowings	751	464
Lease liabilities	284	260
Total interest bearing liabilities	1,035	724
Interest bearing receivables	67	65
Cash and cash equivalents	141	178
Total interest bearing assets	208	243
Net debt / Net cash (-)	827	481
EBITDA, LTM	525	501
Debt leverage	1.58x	0.96x

3.4 Events after the reporting period

With reference to Company Announcement no. 252, the launch of the Offer pursuant to the offer document dated 4 September 2024 (the "Offer Document") was initiated. The complete terms and conditions for the Offer, including a description of the procedures for accepting the Offer, are set out in the Offer Document. The offer period commenced on 4 September 2024 and expires at 16:30 (Oslo time) on 1 October 2024, subject to extension as further described in the Offer Document. The offer price is set at NOK 10 per share.

With reference to Company Announcement no. 253, Kjederegnskap og Rådgivning AS became a part of ECIT on 10 September 2024. ECIT acquired 56% of Kjederegnskap og Rådgivning AS.

Notes: *) Peter Lauring holds shares through CGL Holding AS & CGL Holding II AS, companies he, and his relatives, has the majority of shares in. Peter Lauring's maximum voting right of 49,9% according to ECIT's articles of association regardless of ownership.

4. Composition of the Group

4.1 Acquisitions during H1 2024

During the first six months of 2024, ECIT made three acquisitions in the F&A division. Additionally, an associated company within the Tech division was acquired.

For more information about these acquisition, please refer to our ECIT homepage (investor relations).

Net investments in subsidiaries

The acquisitions have been paid partly with cash and partly with shares through treasury shares.

Note 4.1 Investments in subsidiaries (NOKm)	Q2 2024	Q2 2023	H1 2024	H1 2023
Cash payment	-25	-111	-44	-129
Paid earn out obligation	-3	-1	-3	-1
Acquired cash	4	26	7	33
Investment in subsidairies	-23	-86	-40	-97
<i>New subsidiaries:</i>				
Cash payment	-25	-111	-44	-129
Share payment	0	-20	-1	-20
Earn out obligation	0	-19	-1	-19
Investment in new subsidiaries	-25	-150	-46	-168

Note 4.1 Acquired companies (NOKm)	Revenue FY 2023*	Revenue H1 2024*	PAT H1 2024*	FTE	Owner-ship	Acq. Month
Frejs Konsulter AB, Sweden, F&A	14	7	1	10	100.0%	Feb
Företagsbyrån I Luleå AB, Sweden, F&A	11	6	2	7	75.0%	Mar
Pragati AB, Sweden, F&A	24	10	2	21	91.0%	May
Total acquired subsidiaries	49	23	5	38	n/a	n/a
Zirius AS, Norway, Tech	25	14	-1	13	24.9%	Jan
Total associated companies	25	14	-1	13	n/a	n/a

*Revenue & PAT are proforma figures and differs from the actual figures presented as part the group consolidation.

The fair value of acquired net assets and recognised goodwill

The tables provide the principal fair values of acquired assets and liabilities as of the acquisition date. The intangible assets mainly consist of goodwill and are primarily related to synergies from integration with ECIT's existing business. Goodwill is non-deductible for tax purposes. Off-balance sheet items may be recognised for up to 12 months after the acquisition date in accordance with IFRS 3.

Total H1 2024 acquisitions include Frejs Konsulter AB, Företagsbyrå i Luleå AB and Pragati AB. Companies ECIT acquired during the half year are presented aggregated as they individually are not considered significant.

H1 2023 acquisitions include Dataplan Group, since this acquisition is significant compared to the total acquisitions of H1 2023. Other acquisitions completed during H1 2023 are aggregated as they are not individually considered significant.

Note 4.1 Acquired companies (NOKm)	Total H1 2024	Dataplan Group	Other	Total H1 2023
Software	0	1	1	2
Customer Contracts	15	15	39	54
Property, plant and equipment	0	3	13	16
Financial fixed assets	1	5	2	7
Right-of-use assets	1	5	17	22
Inventories	0	2	1	3
Trade receivables	5	15	19	34
Other receivables	8	12	10	22
Cash and cash equivalents	8	17	31	48
Total Assets	38	74	133	208
Lease liabilities	1	5	17	22
Long-term debt	0	8	11	19
Deferred tax liabilities	3	3	8	11
Trade payables	1	3	12	15
Other payables	13	35	28	63
Total Liabilities	18	54	76	130
Non-controlling interest' share of acquired net assets	4	2	29	31
Acquired net assets	17	18	29	47
Cash payments	44	60	69	129
Share payments, treasury shares	1	7	13	20
Earn Out obligation	1	0	19	19
Total	46	67	101	168
Majority goodwill arising from the acquisition	29	49	72	121
Minority goodwill arising from the acquisition	2	1	78	79
Total goodwill arising from the acquisition	31	50	150	200

Definition of Financial Highlights and Ratios

Net investments in subsidiaries = The comparative figures have been amended to reflect that acquisition and sale of subsidiaries must be reported based on net cash payment. Net cash payment corresponds to the cash payment for the shares, less cash holdings in the subsidiaries at the time of acquisition or sale. The effect of the new subsidiary's balance sheet is therefore eliminated.

Net working capital = Receivables and other current operating assets less trade payables and other current operating liabilities. Tax payable and earn-out obligation are not included.

Net working capital is not comparable to the change in net working capital in the cash flow statement since the entry values of acquired companies are eliminated in the cash flow statement.

Net-interest-bearing-debt = consists of interest-bearing debt less interest-bearing assets. Interest-bearing debt consists mainly of bank loans (credit facility) and lease liabilities, whereas interest-bearing assets mainly consist of cash and outstanding loans to minority shareholders.

Organic revenue growth = Growth in companies where ECIT Group legally had control in both the actual period and the comparison period. The organic growth is calculated on a monthly basis.

Acquisitions impact = The impact on the total growth, which relies on new acquisitions during the period.

Currency translation = The impact on the total growth due to exchange rate changes.

Total revenue growth = Organic growth, acquisitions impact and currency translation in total.

Free Cash Flow = Cash flow from operating activities less repayment of lease liabilities and before transaction and restructuring costs and net investments in tangible assets. Adjusted free cash flow, as presented, is a key performance measurement for the Management of ECIT Group.

Proforma revenue = Proforma revenue equals revenue in the Group, as all companies acquired within the year had been owned as of 1 January.

Recurring revenue = Recurring revenue is where the revenue is predictable, stable, contractual, and likely to continue. In general, it involves less risk but maximum revenue predictability.

Repeatable revenue = Repeatable revenue is defined as somewhat predictable revenue (but can vary) and likely to continue due to the long customer relationships. Revenue is derived from a per payslip or per invoice charge.

Transaction and restructuring costs = Items of income or expense which by nature are not related to the Group's ordinary operation or investments in future activities. See note 2.7 for additional details on the items included.

Leverage ratio = Operating profit before amortisations and depreciations (EBITDA) are calculated on proforma figures to match the full impact of new acquisitions on net interest-bearing debt.

The average majority share of operational companies' revenue and operating profit before amortisation and depreciation and transaction and restructuring costs (EBITDA) = Shareholders of ECIT AS' share of revenue and EBITDA. The percentage is calculated on legal figures (measured 50% / 50% by revenue and EBITDA) for the last twelve months (LTM) and with the ownership as of the balance sheet date.

Adjusted profit for the year = Adjusted profit for the year equals profit for the year before transaction & restructuring costs, earn-out assessment, gain on portfolio investments and income from associated companies. The Management uses adjusted profit for the year to measure the performance of the Group, excluding one-off items.

Adjusted diluted earnings per share = Adjusted diluted earnings per share equals diluted earnings per share calculated at adjusted profit for the year. The Management uses adjusted diluted earnings per share to measure the performance of the Group, excluding one-off items.

Annualised recurring revenue (ARR) = Annualised recurring revenue from core own-developed software products for the coming twelve months. The core software products are defined as products supporting accounting production. The measure is based on proforma revenue.

EES (Employee Engagement Score) = Employee Engagement Score (EES) is a metric used to measure the level of commitment, satisfaction, and involvement of employees within an organisation. The EES score is evaluated on an annual basis.