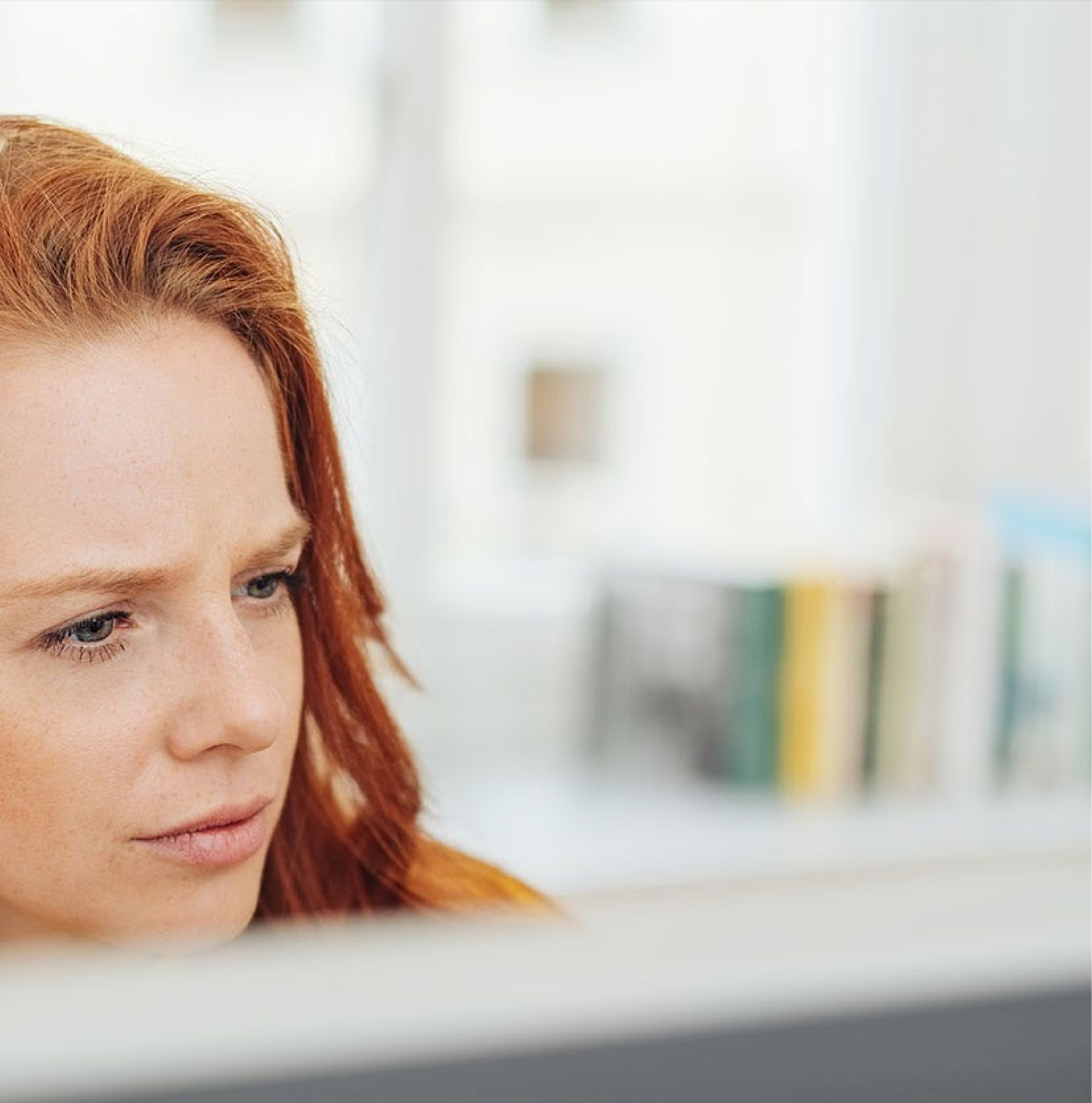
MINTRA®

2020 ANNUAL REPORT

mintra.com

Contents



We are Mintra

Mintra Holding AS is the Norwegian registered parent of several operating companies in Norway, United Kingdom, United Arab Emirates and Singapore, which comprise the Mintra group. We are a leading provider of on-demand digital learning and enterprise human capital management (HCM) software solutions for safety-critical industries worldwide.

Mintra develops and deploys solutions that enable our customers to develop and deploy their people, readily demonstrate compliance and maximise operational efficiency. Over land and sea, we have helped millions of workers stay safe, develop new skills and verify their competence.

< DEVELOP & DEPLOY >

Mintra (**M**ultimedia **IN**teractive **TRA**ining) was founded in Oslo, Norway in 1997 to develop interactive safety training for the energy and maritime industries. Mintra's global headquarters are now in Bergen and we have offices in Oslo, Stavanger, Aberdeen, Amsterdam, UAE and Singapore.

The Mintra team consists of over 100 designers, developers, industry consultants, and supporting functions working to the highest standards.

Customers & revenue split

For over 30 years, our products have helped customers with HR, planning, payroll, crew rotation, eLearning and competency across safety-critical industries such as energy, maritime, construction, and fishing. We currently provide services to over 3,600 companies, including four of the top five largest energy companies in the world.

ENERGY	MARITIME	OTHER INDUSTRIES

The company has three main service lines which split our revenues:

ELEARNING COURSES

~40%

HUMAN CAPITAL MANAGEMENT SOFTWARE

~40%

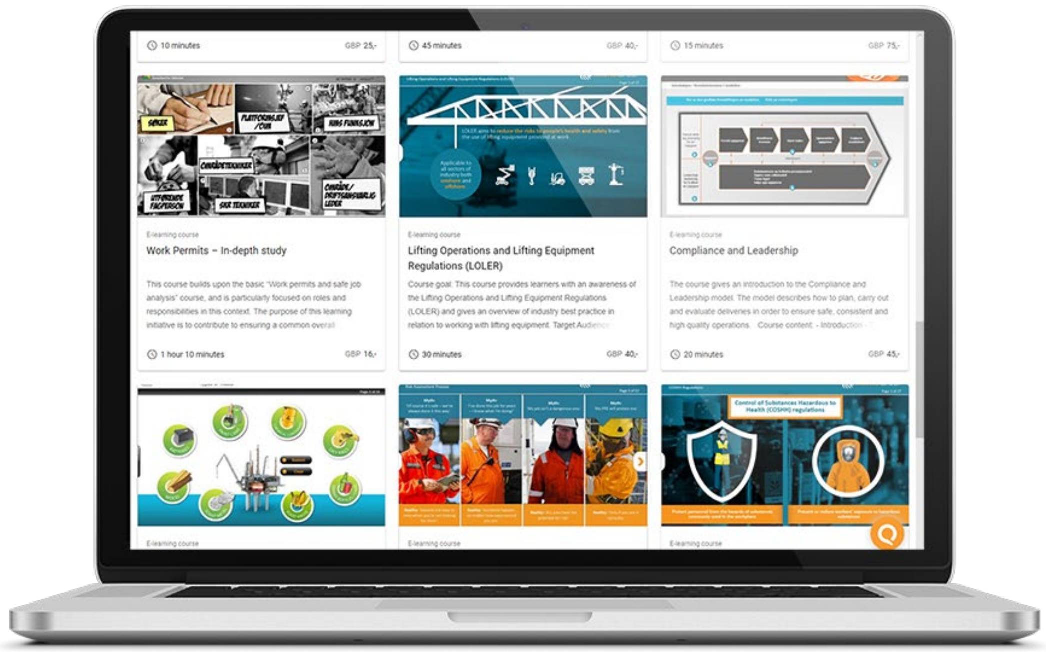
CONSULTING & OTHER

~20%

Key products

TRAININGPORTAL

Mintra’s learning and competence management system, Trainingportal, delivers our portfolio of over 2,000 courses on a wide range of topics including health and safety, environmental, technical, compliance and soft skills, to more than 1.7 million workers worldwide. Trainingportal Offline ensures that training and competency activities can continue onboard vessels in areas of poor connectivity.



1.7 million System Users

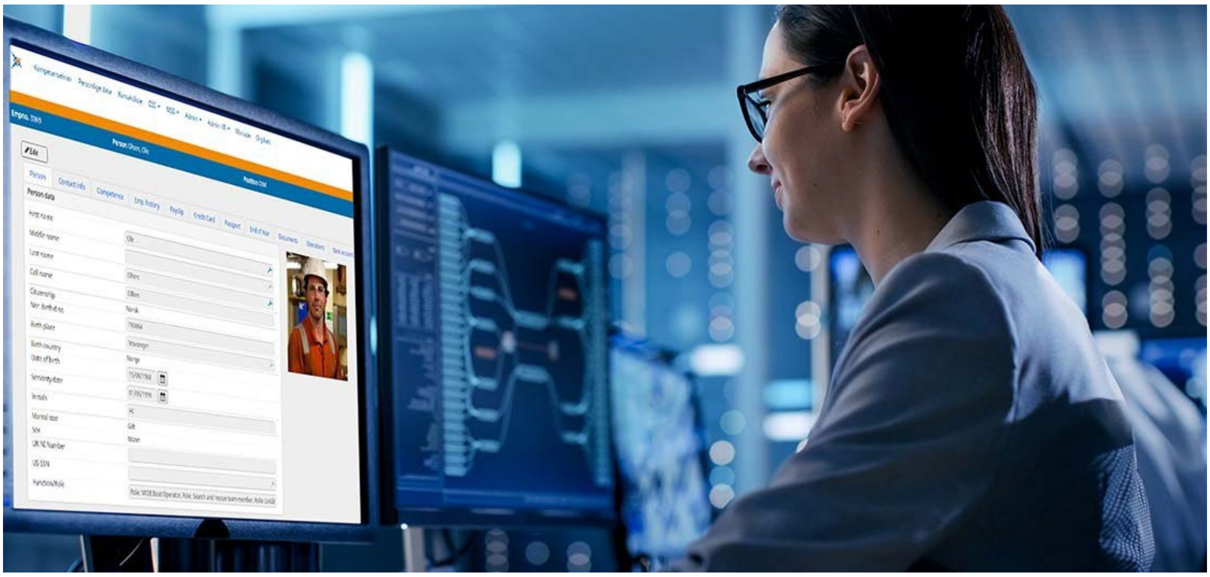
2,000 Training Courses

Course completed every 30 seconds

Over the last 20 years, we have developed one of the largest and most comprehensive portfolios of compliance-based courses. Every 30 seconds a course is completed on trainingportal.com. The library contains courses developed by both Mintra and third parties, and all are available in our Marketplace – an agnostic trading space connecting buyers and sellers of training in eLearning, classroom and blended formats.

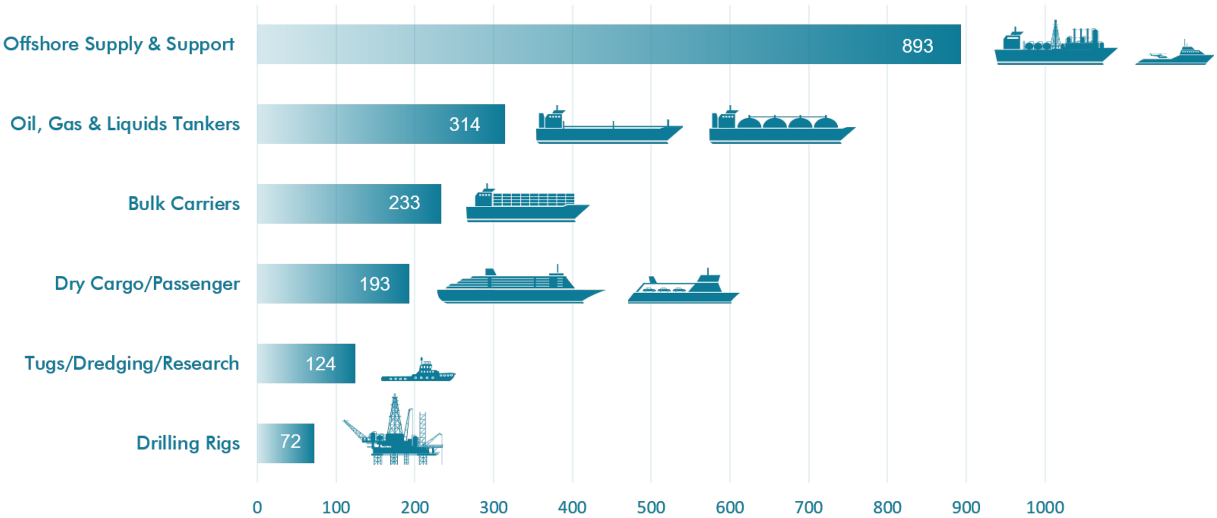
OCS

Mintra's OCS HR system has been helping to control and automate complex HR tasks in the maritime industry for over 30 years. It allows operations to run more smoothly and enables the HR department to serve more ships and employees. OCS HR allows one system administrator to manage up to 300 employees and perform operation-critical tasks.



OCS HR supports the operation of over 1,800 vessels, from tugs to tankers, research ships to drilling rigs, and around 172,000 seafarers. It is a system heavily used and relied upon every day by HR and crew managers across the global maritime industry.

1,800+ VESSELS



Vision & values

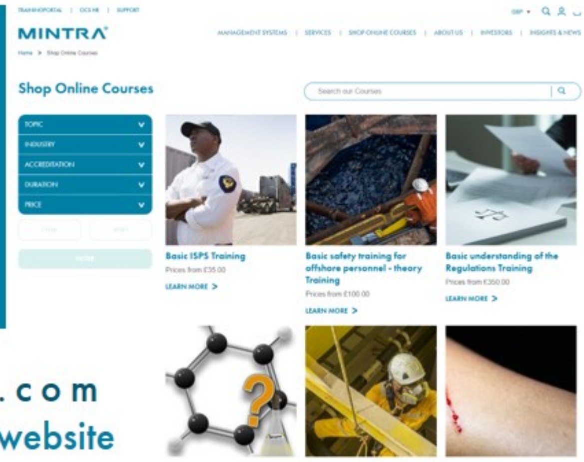
At Mintra, our vision is to be the global leader of online HCM solutions for safety-critical industries. Our values are central to achieving this goal. They define who we are, what we do, and how we do it. The Mintra way.

People are our business	Our assets, our raw materials and our focus, striving to better people and better business.
We explore	Restless and inquisitive, we are innovators, challenge and seek to conquer.
Open and collaborative	Helpful and respectful, we welcome opportunities to support and share.
Driving performance	Enterprising and industrious, our solutions make a difference.
Delivering with pride	Excellence always, in everything we do and to the very best of our ability.

2020
AT A GLANCE
'Building up during lockdown'

MINTRA®

New look brand



www.mintra.com

New eCommerce website

321 MORE COURSES

(2,032 in 2019 to 2,353 in 2020)

pni OPPLÆRINGSSENTER AS

KONGSBERG

STC COMPETENCE CENTRE

16 New Course Providers

(59 in 2019 to 75 in 2020)

'Strong Performer'

Digital Learning 2020

FOSWAY GROUP

TOP 15 LEARNING TECHNOLOGIES 2020

Learning & Performance Institute

The Scottish Parliament
Pàrlamaid na h-Alba

Two commendations

"positive initiative at a time when there is so much uncertainty."

Sjøfartsdirektoratet
Norwegian Maritime Authority

STCW Approved Supplier

OSLO BØRS

Merkur Market Listing

raising NOK 500 million
(05/10/2020)

100% staff retained,

productive & working remotely

(No redundancies or furloughs)

'Profitable'

34% EBITDA

(19% in 2019)

+22% Increase

in HCM software revenues

98% Predictable Revenues

50% multi-year contracts

100% Contracts Renewed

NOK **205 MILLION** REVENUE

627,596 Users

Accessing Trainingportal in 2020

1.7 million Users

Accessing Trainingportal in last 3 years

CEO comment

Scott Kerr / Mintra CEO

scott.kerr@mintra.com

A new chapter

In a year like 2020, it would have been entirely understandable for many companies to focus on ending it with one aim: simply, to hold on. But here in Mintra our team stepped up and stepped forward, demonstrating all the drive, determination and ambition that are the hallmarks of our company. Thanks to our people, and the faith placed in them by our clients, we ended the year as a buoyant organisation on a clear pathway towards future success and growth.

In March we moved our operations to a remote working model due to the pandemic, but this new approach did not hinder our plans or our delivery. We listed on Euronext Growth, delivered profitable operations and dramatically improved our cash position. Despite numerous challenges, we broadened our offer to our customers with new services, new functionality and new products. In turn, our customers supported us by renewing contracts across our software and eLearning platforms at a renewal rate of 100%. This gives me great confidence in our business model and the people we have delivering it. 2020 was a tough year for many, but the trends it has accelerated put us in an excellent position for 2021.

Last year, our admittance to the Euronext Growth trading facility began a new chapter for Mintra. We raised NOK 500 million through issuance of primary shares, we reduced debt and received capital to be used to accelerate organic growth and execute our M&A plan.

Although the pandemic and the imposed lockdowns and travel restrictions impacted our major customer base, we managed to maintain good progress in building and rolling out new services. We broadened our Marketplace offer into new sectors and geographies; added STCW training provider accreditation to our list of approvals; and strengthened our sales team to deliver on our ambitions. Importantly, we were able to grow our software business and retain every single one of our eLearning contracts.

The fact we were able to deliver so much in a difficult year is down to the strength of the team we have built at Mintra.

But it wasn't all smooth sailing. With physical distancing fundamental to stopping the spread of Covid-19, we could see that our eLearning model would be instrumental in helping our clients maintain a competent workforce. What we didn't anticipate, however, was that our clients would have less need for training due to reductions in or restrictions on their workforce.

The pandemic and associated limitations on travel have instead delayed activities for our main clients in international shipping and energy. We expect this to come back in 2021 as the world begins to open up once again.

Delay is by nature the enemy of progress. But it is not lost opportunity. It will come later in time.

Energy & maritime

Our customer base within the energy sector is diverse and made up of large multinational companies. Many of them are repositioning themselves away from being purely oil and gas-focused and are diversifying into solar, wind and renewables. They're taking us on that journey into new, sustainable industries. We are also expanding into closely aligned industries such as maritime, construction and fisheries which are substantial in our core markets in Northern Europe.

The maritime industry's ability to move and manage workforces around the world is the greatest operational challenge facing it today. Maritime is a very broad industry: parts of it did do well last year while others were badly hit by the Covid-19 lockdowns. We believe that will turn and start to pick up again in 2021.

Software is the key

Mintra provides software and eLearning for companies operating in safety-critical environments and compliance-driven industries. Our software helps our customers develop and deploy their workforce.

Trainingportal is our learning management platform, and it is used by companies to track the training and competency of their people. This software is also the engine for our online Marketplace offering. *By using Marketplace companies can source training for any business line, any place in the world and in any language.*

The other part of our software solution is our crew management software, OCS. This SaaS deployed system provides crew planning and rotation, payroll and everything else required for the management of a global, mobilised workforce. It links with the training management element of Trainingportal, enabling us to provide our customers with one consistent place to control and manage the workforce, their competency, training and scheduling.

Together, these systems form the backbone of our HCM suite and differentiate Mintra from our competitors. Mintra´s long-term strategy is to expand Marketplace and HCM software globally, as well as to expand into new business segments.

Trainingportal, Marketplace and OCS HR are solutions that can be used in any regulated industry.

Hungry for more

We believe that the current market is fragmented and there is a potential for consolidation. Hence, M&A is also an important part of our growth strategy.

Going in to 2021, we acquired Safebridge, a specialist provider of eLearning and software solutions to the maritime industry. The German company fits well within Mintra and our long-term focus areas. Safebridge has a strong market reputation, an excellent team and products, and a loyal customer base. We are convinced this acquisition will boost our maritime revenue line.

We continuously investigate potential acquisition targets that can potentially accelerate our growth and target one to two acquisitions every year.

Strong megatrends

On the back of our strong underlying financial performance, high margins and growing software sales, I believe we have laid excellent foundations for the future. Last year was indeed a challenging year, but we have emerged from it stronger and more resilient.

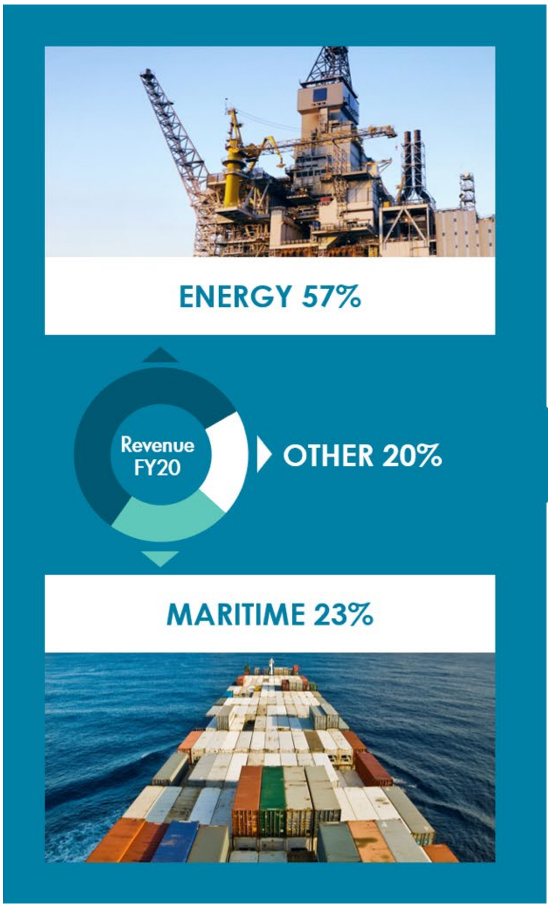
Going forward, we know that our business is driven by four very strong megatrends – education, digitalisation, regulation, and sustainability. In the transition year 2021, we believe all these megatrends will drive our growth further.

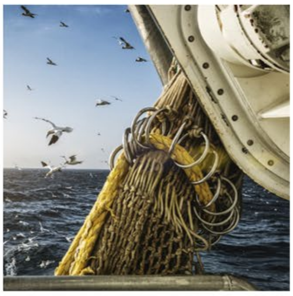
A new year may be here, but we understand the issues associated with Covid-19 didn't simply disappear with the first dawn of 2021. However, with the global vaccine roll out we can look forward to the next 12 months with a degree of optimism. Whatever the world has in store for us this year, I know that Mintra's talented people will continue to evolve and innovate, delivering solutions that enable our clients to thrive.

Scott Kerr / Mintra CEO

Strategic intent

80% of Mintra's customers operate within the energy and maritime sectors. Our geographical centre of gravity is Norway and the UK, with a growing presence in the Middle East and Asia.





EXPANDING THE INDUSTRY FOOTPRINT
INTO MORE
COMPLIANCE-DRIVEN INDUSTRIES

MINTRA®

ONLINE MARKETPLACE	MARITIME & OTHER INDUSTRIES	ASIA PACIFIC

GLOBAL MARKET GROWTH

The Mintra five-year growth strategy is focussed on three main pillars: our online technology platforms, our focus on maritime and safety-critical industries, and our geographical expansion in the Middle East and Asia.

Mintra is strategically positioned at the crossroads of four global megatrends - education, digitalisation, regulation and sustainability. We believe that combining our growth strategies with these megatrends will allow Mintra to evolve into a global leader in delivering both HCM systems and learning technologies.

Online Marketplace

For individuals, adult education is becoming a major focus as people strive to improve their job prospects and career advancement. Our online technologies and training library are enabled for students to access learning when they need it and in the medium of their choosing.

Employing companies are looking to eLearning as a core method for improving the capabilities of their workforce in a post-Covid world. The desire to undertake business education in the traditional classroom environment will be replaced, where possible, by eLearning and learning technologies which have demonstrated the cost and time efficiencies throughout 2020. A fundamental shift is already underway with businesses experiencing the benefits of eLearning as a result of the pandemic.

Our technology portals and platforms are highly scalable and will allow us to grow over the next three to five years, with Marketplace solutions expanding our capabilities to target and fulfil the requirements of our customers. During 2020 we completed the transition to our new optimised website which allows us to target, attract and funnel customers though to our technology solutions based on their specific needs.

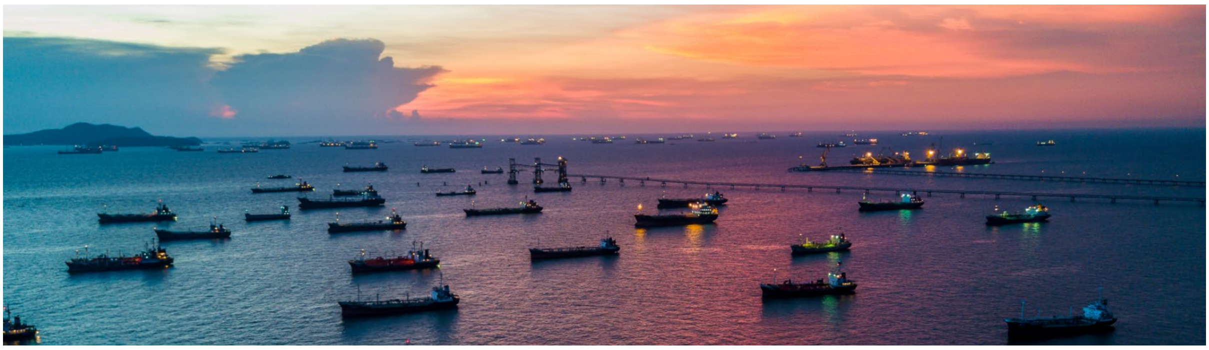
To populate these platforms, we both create our own accredited online training and hunt for rich third-party content in partnership with our clients, to ensure they continue to address all their content needs through this single open system. Recent technology improvements in our systems have enabled our customers to access a vastly extended library. This ensures we deliver revenue growth for the future as our customers are able to access and consume more of this rich content.

Our technology platforms work alongside our direct sales model, but with our online growth strategies, we can identify and target substantially more customers on a truly global basis and bring them into our learning universe to accommodate their training needs.

Maritime & other industries

Turning to our sector pillar for growth, there are significant regulatory requirements to ensure compliance and adherence to safety protocols in maritime and other safety-critical industries that Mintra is targeting.

We have witnessed impressive advances in maritime sales during 2020, which increased by 24% on the previous year. Our focus on this key vertical will continue through 2021. Our approach is simple: we will continue to improve the modular capability of our platforms and the enhanced user experience to deliver an immersive and high functioning platform.



We will continue to develop our maritime course library with both proprietary and third-party accredited courses and partner with world-renowned suppliers of maritime content so that we can gain more customers and greater levels of market share in the sector. We will continue to attract and hire talented and well-connected sales professionals who will use their experience and relationships to bring Mintra more maritime customers across more geographies.

Allied to maritime, we see great opportunity in other adjacent safety-critical sectors, such as construction and renewables, and we intend to use this same approach to gain traction and market share in the short term.

Furthermore, we intend to stand alongside our clients in the energy sector as they shift towards improved levels of sustainability and focus greater attention on reducing their carbon footprint. As they move in this direction and change their working practices, they will require our online products and services to train their workforces efficiently and safely.

Asia Pacific

Our final organic pillar is that of geographical expansion, and our strategy to grow revenue in the Asia Pacific region. This territory is expected to provide a compound annual growth rate of 15%. The region's rapidly expanding population has a need to enhance career prospects through improved education.

There is evident that local safety records and labour management solutions are behind the standards and techniques available in other jurisdictions. This combination of a growing economic power and increasing regulation, means these markets will see significant uplift in demand for the training and management of people in safety-critical environments.

We have seen very positive steps in Asia Pacific with the concept of a construction safety passport, with many of our courses being mandated. We have seen large multinational companies single source their future training needs from Mintra as they seek to ensure the safety and compliance of their large workforces.

Mintra has also seen a real appetite from Trade Schools in these regions as they seek accredited eLearning providers to supplement and augment the student curriculums and deliver vocational training to ensure future opportunities.

M&A activity

Layered on top of these three pillars is our intent to acquire excellent businesses that will enhance our group capabilities in delivering increased revenue growth opportunities. We understand that the market is fragmented, suggesting opportunity for consolidation. Our plan remains to add one to two acquisitions per year, identifying profitable target companies and, through a proven disciplined approach, integrate these companies into the group to deliver revenue and EBITDA growth.

Our strategy is to identify companies that demonstrate at least one of four key traits:

- New content: companies that will bring us specialised content that we can then provide to our existing customer list.
- Capability: technology companies that will bring new capabilities and deepen our immersive approach.
- Partners: companies that we currently partner with and share customers and revenue.
- New sectors: companies that will provide access to new adjacent sectors which we look to enter.

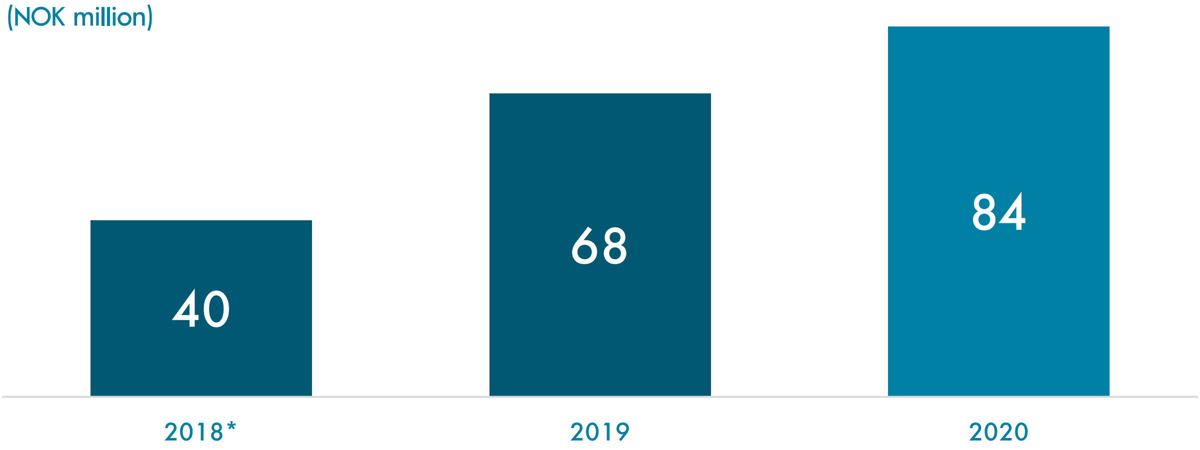
Operational overview

HCM software subscription-based revenue increased by 22% in 2020 and more than doubled 2018. This offers Mintra a predictable and growing base of high-margin recurring revenue.

HCM software and Trainingportal showed revenue growth in 2020, based on contracts signed in 2019 and 2020. HCM systems like OCS HR cover safety and compliance critical elements of maritime and offshore operations. Mintra enjoys long-standing relationships with its customers and saw no customer loss in 2020.The Covid-19 pandemic has underlined the importance of good crew management systems, and new regulations for health certification and training are expected to strengthen the market in a post-Covid world. This holds potential for expansion of the customer base as well as value per customer.

HCM software revenue growth

(NOK million)

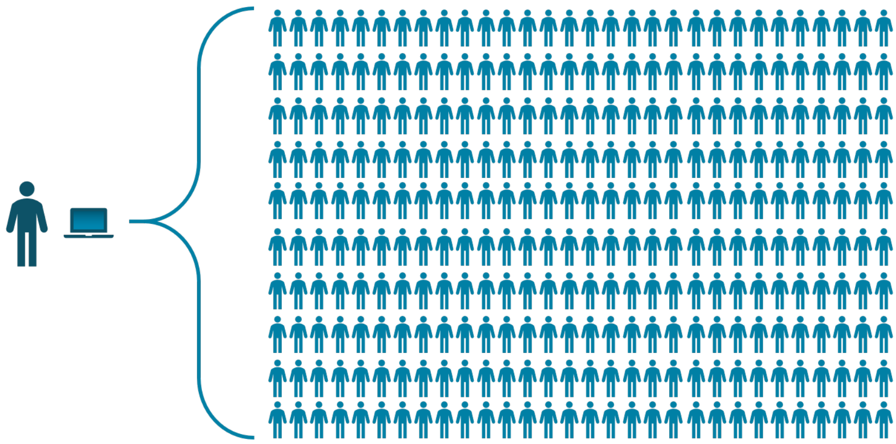


*IFRS figures for 2019 and 2020, Proforma NGAAP for 2018
**Other includes classroom training, and TMS which was divested mid-2020

The market for HCM systems is fragmented, with many small and mid-sized regional players. The Asia-Pacific region is expected to show the strongest growth due a fast-increasing workforce and increasing regulatory requirement. Mintra supported its growth momentum in Asia by adding more salespeople in the fourth quarter 2020, and our acquisition of Safebridge in early 2021 will further strengthen both the product offering and market presence.

OCS HR solutions

OCS HR is the core of Mintra's HCM suite, offering a complete workforce management and workforce optimisation solution for companies operating remote crews in regulated industries. The software is used to support the operation of more than 1,800 vessels and approximately 172,000 workers on tankers, cargo and passenger ships, offshore vessels and rigs, and large crew management companies. A customer survey conducted in 2020 revealed that the system enables one administrator to effectively manage 300 personnel.



The system ensures that customers have the right people in the right place at the right time. The software enables the HR department to easily plan recruitment, resource management and crewing activity while simultaneously supporting the development of personnel. Competence management functionality ensures that vessels are crewed with personnel who have the correct training and competence to meet regulatory requirements while also facilitating their career development. Other functionality, such as payroll, is designed specifically with the seafarer in mind, and lightens the complicated burden that often comes with vessels crossing tax borders.

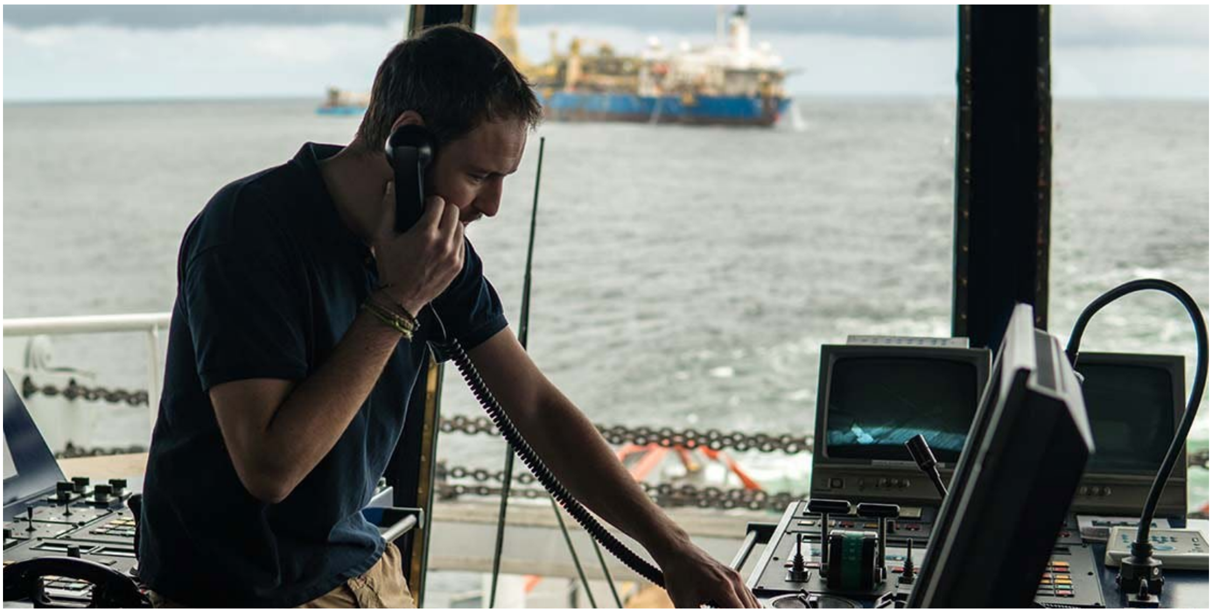
The seafarer is put in charge of their own profile with a web-based Self-Service portal, allowing them to manage activities, timekeeping, vacation, absence, expenses, courses, competence and more. Inevitably vessels will lose connectivity during operations, but our systems, especially Crew on Board, is specifically designed to handle onboard workflows while offline, synchronising the data back onshore once the connection has been re-established.

The importance of an efficient crew management system has been highlighted during the Covid-19 pandemic. In its Annual Review 2020, the International Chamber of Shipping, stated that “the arrival of Covid-19 has presented truly enormous challenges for the entire maritime transport sector”, and that “the continuing inability of ship operators to conduct crew changes has been the single greatest operational challenge confronting the global shipping industry since the Second World War”.

While this provides a solid market backdrop for Mintra’s OCS HR solutions it also shows the importance of the company’s Trainingportal and eLearning courses, as shipping and offshore companies need to ensure that they access a sufficiently large pool of qualified people to fill crews in an efficient and compliant manner.

Throughout 2020 we continued to concentrate on further developing and improving our entire OCS HR product to meet the ongoing needs of industry. We have sustained focus on completing and automating processes within the Talent Management module, especially relating to operational planning with a rotational workforce consisting of employees and resources available for hire or recruitment. The planning functionality has further been developed to include shift planning on an hourly basis, which allows us to target new market segments for OCS HR, such as the ferry/passenger industry.

An exposure tracking system has been added to Crew on Board for registering personnel exposed to specific substances on board vessels. In the exposure register, crew members who are exposed to certain hazardous physical, chemical, or biological strains (factors) in their work are registered. The register is replicated back to the onshore office and will be available in the HR system for a period up to 60 years.



Crew on Board has also been extended to include an Operation Planning module, where the vessel can organise all operational tasks that are managed on board. It's now possible to plan and schedule work, participants, milestones, and due dates and categorise tasks – all of which are fully configurable according to each vessel's needs. The new feature gives a full overview of ongoing and planned, future operational tasks on board, as well as a historical overview of previous tasks. We have also focused throughout 2020 on designing our solutions in accordance with new legislation and tax rules within different jurisdictions.

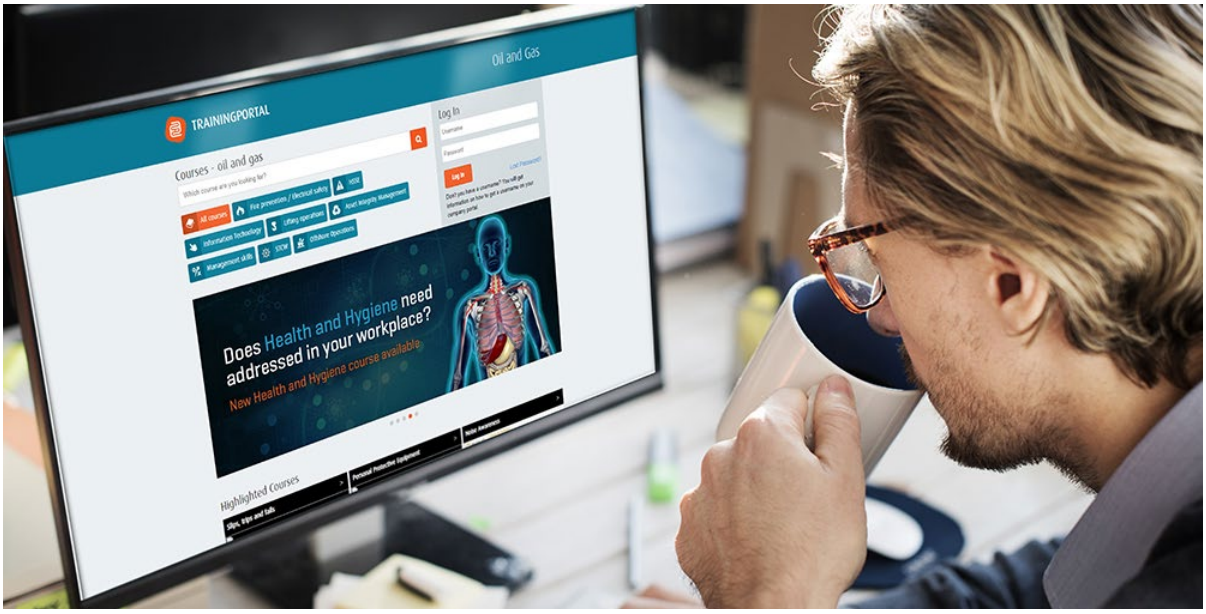
Integration platform

The integration platform is a multi-tenant cloud solution used to expose secured standardised integrations with all Mintra's HCM solutions. By offering system integration services, we actively take part and deliver automated processes across a system portfolio and contribute to efficient operations for our customers. The demand for integration services has continued to be strong in 2020.

All HCM solutions are available as SaaS-solutions on AWS, except from our fleet solutions that will remain as on-board solutions with offline options.

Trainingportal

Trainingportal is Mintra's learning and competence management system and is designed with customers operating in regulated industries in mind. This software solution is developed and managed in-house, continually evolving over the last 20 years to meet the requirements of Mintra's corporate clients. Not only does Trainingportal manage workforce training and competence requirements in a streamlined manner, the system provides the backbone for the Mintra's online Marketplace.



An example of our efforts to modernise Trainingportal in 2020 include the introduction of microservices and artificial intelligence. During the last year, the transition from monolith to microservice architecture gained some traction with the production release of several microservices. Additionally, we increased the R&D spent on artificial intelligence. The development and training of several machine learning models are underway, and the preliminary results look promising.

There has also been a continued focus on user experience for different roles, especially for those who are administrators. The activity within Trainingportal has vastly increased during the year, and one of our largest onboarding projects was a migration of 2,000 new tenants with 200,000 users to the platform.

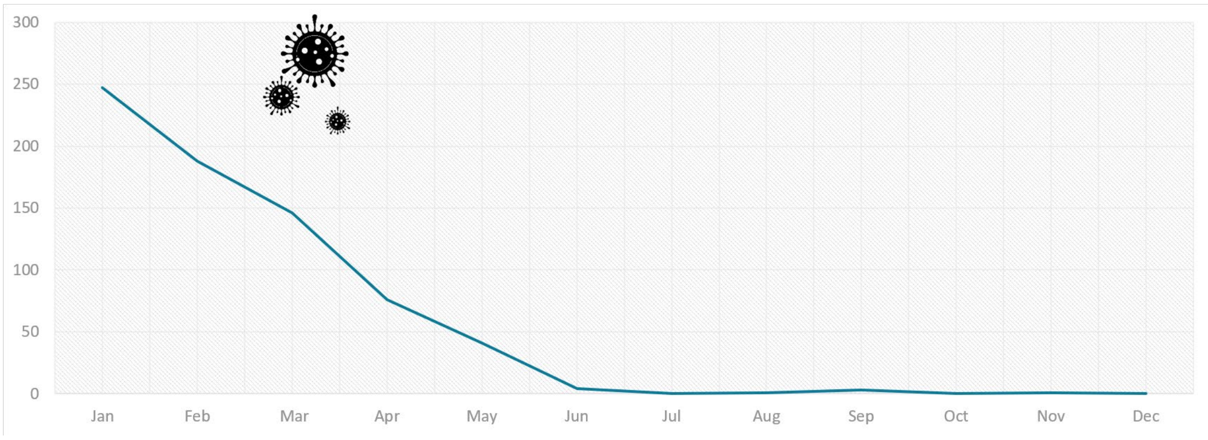
We've added several languages along with new features such as Virtual Classroom. This is a digital replica of a traditional classroom or training room: instructors teach, and participants learn in real-time, face-to-face but via internet-enabled technology devices. The classroom or the meeting room staple – the whiteboard – remains intact. Brainstorming, ideation, and discussions happen live while tests are given and taken pre and post-session. Reports are available as soon as the session is over.

eLearning courses

Mintra's on-demand digital eLearning offering focuses on safety-critical and compliance-driven industries, where companies and workers are facing ever increasing requirements with regards to competence, accreditations and certifications. Mintra's eLearning platform offers the combination of low cost and high convenience and accessibility, and the company has a strong customer base in the energy and maritime sector with a high share of repeat purchases. The company is working to expand its eLearning offering for other compliance-driven industries such as construction and renewables.

Revenue in 2020 was negatively affected by lower course utilisation due to Covid-19, particularly in the energy sector. Companies and workers in the energy industry have seen temporary layoffs and fewer manhours, severe travel and work restrictions, and less investment spending due to lower and more volatile oil prices through 2020. These effects were accentuated in the fourth quarter with the 'second wave' of Covid-19 cases, and a new round of travel and work restrictions in the company's largest markets in Norway and the UK.

Classroom bookings in Trainingportal in 2020



Lower utilisation of energy eLearning courses reduces the recognition of revenue from previously sold and invoiced contracts and extends the deferral of revenue from these contracts. We believe the lower eLearning utilisation represents delayed rather than lost demand. As we deliver courses that build safety-critical competency, including mandatory courses for accreditations and certifications required to comply with national and international regulations, we expect course registrations to catch up once clients return to a more normal operating mode in 2021 and beyond

Mintra has maintained a strong market position despite the weaker market in Norway and UK. The company has not seen any customer loss and has achieved a 100% success rate on contract renewals. The win rate among customers who have been making purchase decisions remains high. We are positioned for an accelerated market rebound in a post-Covid environment.

The company is making inroads with new energy customers in other geographical markets such as the Middle East and Asia, the latter also driving our maritime eLearning business. Mintra supported this momentum with continuous expansion of the maritime course library and the hiring of senior salespeople in Cyprus and Singapore in the fourth quarter.

Mintra is also growing in other areas of the Asian markets. We have executed a successful Safety Passport programme for oil and gas workers in Brunei, which is now being expanded to construction workers in other industries. We have set up trade school programs in both India and Malaysia, and we see a significant opportunity for growth in the TVET market for technical and vocational education and training elsewhere in the region.

We remain committed to improving the product offering to clients and the scalability in the business model, and we have continued to invest in new and refreshed content courseware in our eLearning library. Mintra's own portfolio is approximately 280 courses, and we are consistently working to expand its partnership model with third-party content providers.

The number of third-party content partners has increased from 59 to around 75 over the past year, and the number of third-party courses on our Marketplace has increased from approximately 2,000 to over 2,300.

We are working to establish new and more scalable sales channels for Marketplace, including a subscription-based streaming service for SME customers. This will address a large group of potential customers that would be inaccessible with a traditional salesforce-driven model.

Consultancy & other

Mintra's Consultancy unit serves two main functions: services related to OCS HR installation and integration with other systems, as well as development of bespoke eLearning courses for clients and in-house content development. Other segment includes classroom training, and also included Training Management Service (TMS) until it was discontinued in the first quarter 2020.

Content development

As the bespoke eLearning market saw lower demand due to Covid-19 through 2020, we allocated a higher share of the consultancy capacity to in-house development and added 30 new eLearning titles to our library. In addition to this, our internal content development team generated over 240 hours of digital learning and almost 400 bespoke courses for clients. As a result of flash being discontinued in 2021, our team also converted titles within our library to HTML5 in order to ensure continuity for our customers.

400 bespoke courses developed

240+ hours of digital learning content

Fully HTML5 (non-flash) Library

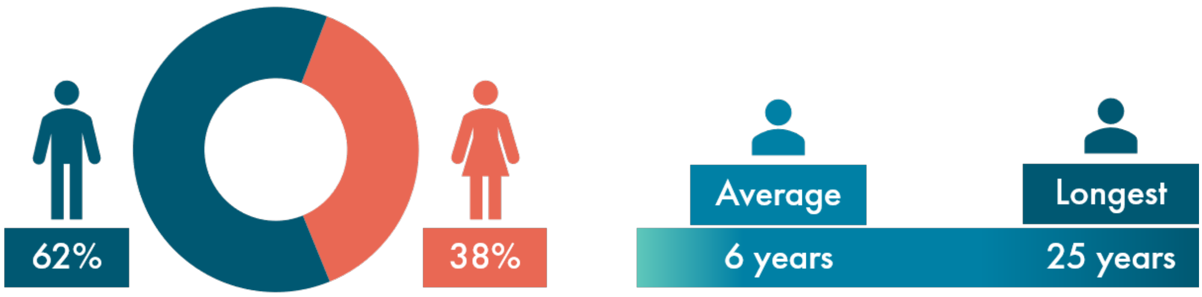
Our team

Our values place people at the centre of our business. Over the past 18 months, we have created an internal HR function and team to support and develop our people as they grow with us.

At the end of 2020 our headcount was 110. Most of our employees are based at our offices in Bergen, Stavanger, Oslo and Aberdeen, and the company also has representation in Amsterdam, Cyprus, Dubai, Hyderabad (India) and Singapore.

We pride ourselves on being an equal opportunities employer, celebrating diversity and acknowledging that differences make our organisation stronger. The company strives to create a workplace that is fair and inclusive. Our gender split is currently 62% male and 38% female, with an average tenure of 6 years.

Gender mix and time employed



We are proud of the long-standing relationships we develop with our team: our longest-serving employee has been with us for 25 years. The average age of our employees is 45 but we have a wide age range within the team, from 23 to 69-years-old.

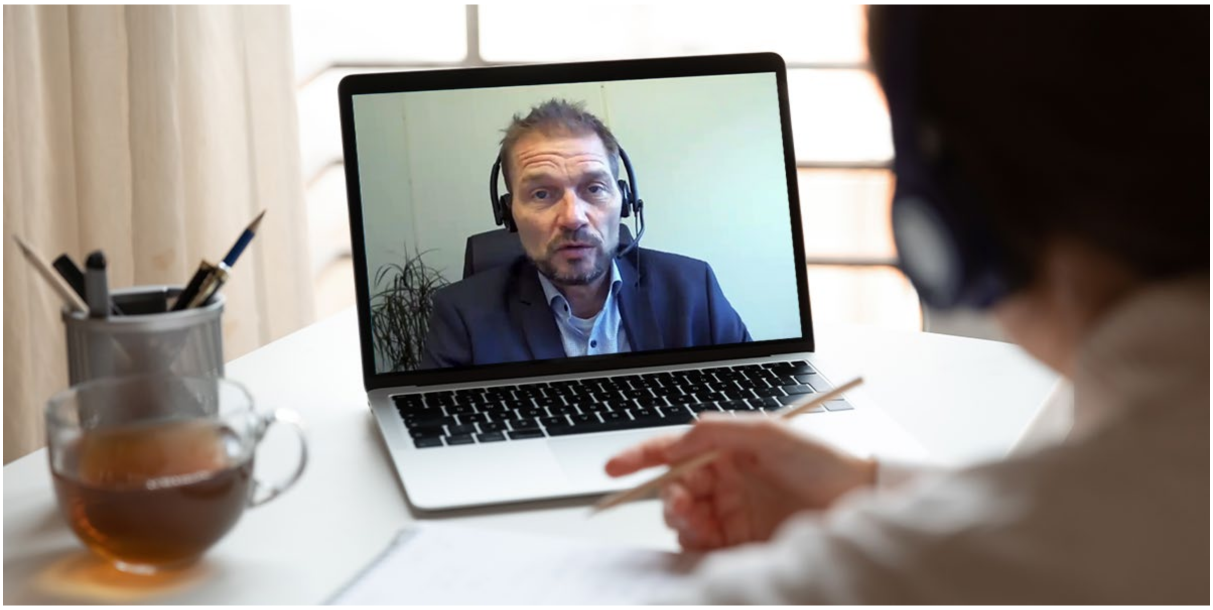
Age profile

Across the business we represent 13 nationalities and nine languages. British and Norwegian are the largest contingents with 87% combined. English is spoken by 100% and Norwegian by 42% off our staff.

Nationality mix

We use our own systems to manage our staff training and competence needs, as well as payroll, expenses, and other HR administration. Our appraisal and management processes are detailed in our management system, which is audited to ISO 9001. Our commitment to development means we cover the cost of professional memberships, training and study leave for staff pursuing relevant qualifications.

Our recruitment process ensures we are hiring the best talent into the business and we have a full induction in place for all new employees, from providing the initial offer of employment, to a welcome to the team gift and on to signing off the end of probation.

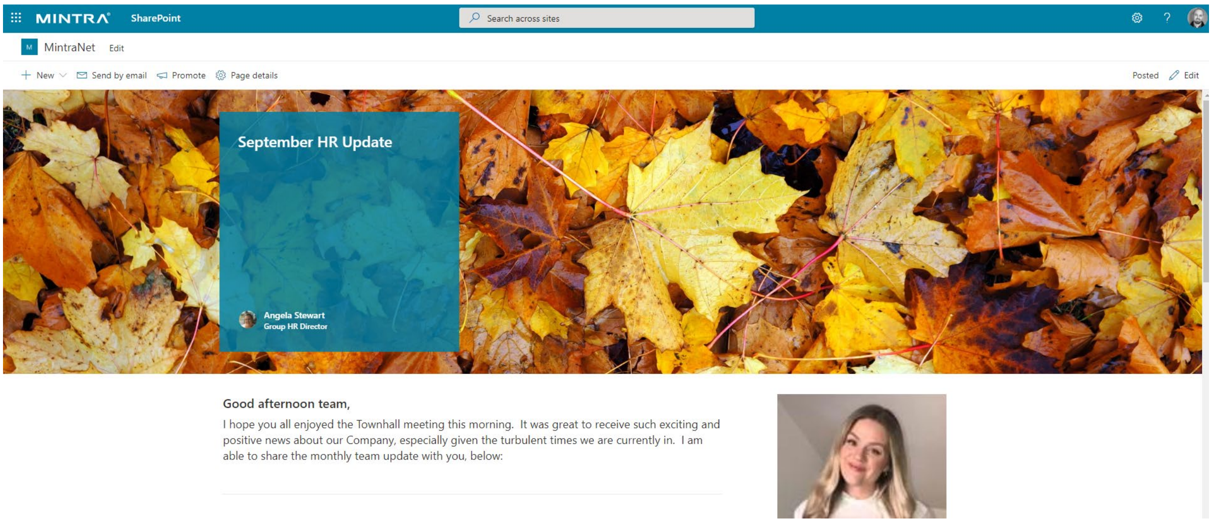


We use our own eLearning courses to ensure mandatory training is covered, including GDPR, data security, health and safety, code of conduct and an introduction to our management system. We have developed a review system to ensure all new employees are given feedback on their performance at an early stage and at regular points during the probation period. Any development needs are therefore quickly identified and supportive action taken, be it enrolment in a training course or on-the-job coaching with a more experienced team member.

Functions & skills mix

Our people plan for 2021 includes the evolution of our competence framework across our entire business to enhance the development plans for our team. This will also create a visible career path, allowing each team member to plan their future with Mintra.

One of our key aims is to engage our team so they are committed, motivated and proud of our organisation. We have employee representatives on the board of directors and staff representatives in Norway. Transparency and honesty are key success factors in employee engagement, and we have several initiatives in place to support the flow of communication. These include town hall meetings, twice-weekly all-staff email updates from our CEO, coffee catchups with the CEO, wellbeing check-ins with the HR team, our internal intranet platform, MintraNet, and regular departmental team check-ins.



We reward our staff for their hard work and commitment to the company and regularly review our benefits offering to ensure we remain a competitive and attractive employer. Our benefits are tailored to the locality of our employees but include private health insurance and life insurance. We undertake an annual salary review for the entire team during the month of July and award discretionary bonuses and gift vouchers for examples of work that go over and above our expectations. We recognise and celebrate occasions such as births, marriages, special birthdays and milestone work anniversaries.

Health & wellbeing

Mintra supports its people with a range of benefits designed to help them look after their health and wellbeing. Our benefits packages are relevant to the locality of our employees but include:

- Private healthcare
- Company pension
- Optional dental care
- Discounted gym membership
- Flu vaccinations
- Fruit baskets/breakfast
- Flexible working policies

Environmental, social & governance (ESG)

Environmental

Mintra is committed to safeguarding the environment both locally and globally and strongly believes that the digital learning business model facilitates the drive towards a carbon-neutral society. Mintra's eLearning courses are delivered online, which allows customers to reduce their carbon footprint by eliminating unnecessary travel to training centres. Our systems are designed to allow our customers to operate more efficiently and effectively, to minimise unnecessary travel and excess energy use that comes from inefficient planning or deployment of their people.

Mintra is continually seeking opportunities to create more sustainable solutions within its operations, including paperless working - even documents that require a signature are managed through an online system - and increased use of virtual meetings between our international offices. All our locations are set up to recycle as much waste as possible with stations for paper, card, plastic and glass placed throughout our buildings. Our offices have timer switches to minimise energy use on appliances. Where available, we support environmentally friendly commuting through initiatives like the bike to work scheme.

During 2021, we plan to update our policies and take more steps towards embedding environmental considerations in our culture and as a measurable part our management system. We have committed to carrying out an evaluation of our operations in 2021 with a view to assessing our carbon impact and starting the journey towards becoming carbon neutral in 2022.

Social

Charity

We recognise the important role of the communities in which we operate. We regularly undertake charitable activities in both Norway and the UK and have built up strong relationships with several local organisations and good causes. Our teams are fully engaged in the charitable activities we undertake. In previous years, our teams' attendance at events or participation in charitable activities has been a regular occurrence. In 2020, with many of these opportunities cancelled, we instead donated to charities selected by our employees.

Links to education

Learning is a cornerstone of Mintra's existence. We are proud to have a long track record of working with educational establishments throughout our history. In partnership with organisations such as Developing Young Workforce and Career Ready, we speak to schools and students, allowing them to spend time in our offices and work alongside our employees to experience what the world of work is like.

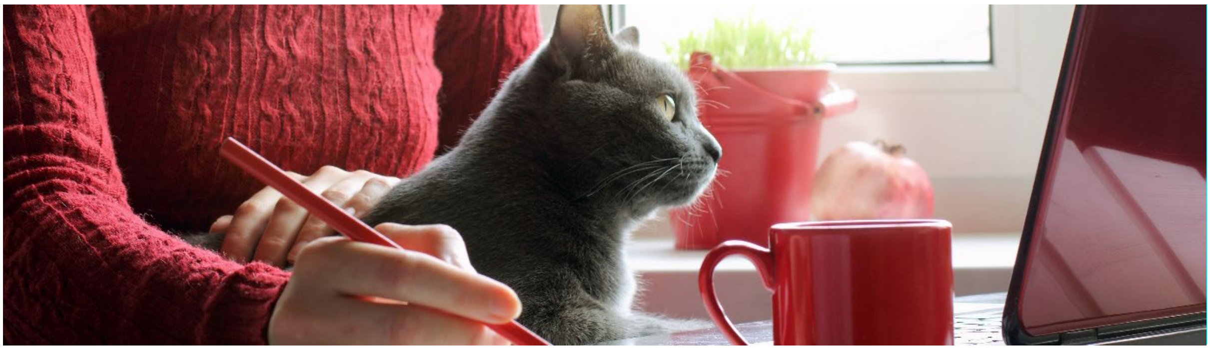
We have close relationships with local universities. Mintra sponsors awards in relevant disciplines, and we also have staff sitting on course boards and acting as external examiners. We accept students on placements and in some cases, they have joined the company as employees on completion of their studies.

During 2020, we worked with the Knowledge Transfer Partnership (KTP) and The Robert Gordon University, Aberdeen on an artificial intelligence project to use facial recognition to verify and proctor learners. This has involved a PhD graduate working as part of our technical development team. We believe these links and interactions benefit the learning institutions and students and are also valuable to Mintra and our team. We also support the continuous development of the Mintra team. These range from academic qualifications in further education to industry recognised development in the competences we need as a business or the sectors we support.

Covid-19 response

As the global Covid-19 crisis developed we took the decision to ask our staff to work from home prior to this being mandated by national governments. The health of our staff was the paramount consideration, and we wanted to reduce their exposure to infection as far as possible. As a digital business, Mintra was easily able to adapt to a switch to remote working.

Where not previously supplied, all employees were issued with laptops and relevant equipment, including monitors and chairs. They also received assistance in setting up an ergonomic and safe environment for working at home. Remote access to our on-premise systems were better secured with new enterprise grade firewalls with built-in SSL VPN capabilities. Security was further strengthened with multi-factor authentication enabled where possible to protect access to our critical collaboration tools. Implementation of Microsoft Teams has ensured that communication and collaboration has continued while our team works remotely.



We put a strong focus on ensuring we looked after the mental and physical health and wellbeing of our employees. In addition to existing benefits and support, new initiatives were put in place to aid our team as they adjusted to the new normal. This included:

- Increased communication from management and team leads
- Regular direct contact from HR specifically checking in on wellbeing
- Financial support for home working, whether equipment or environment needs
- Moving to a half day Friday to recognise the intensity of home working
- Access to mental health and wellbeing resources online
- Social catchups online to connect people outwith the operational activity of work
- Online yoga and stretching classes
- Gifts delivered to staff to celebrate significant events, such as milestones, holidays and the company listing on the Oslo Euronext Growth Market

As routines became established and our team was able to work safely and comfortably from home, we decided to review our remote working policy and asked staff if they would wish the continued option of this style of working post-pandemic. The feedback was overwhelming: all staff indicated either full-time or part-time remote working when it is safe to return to office environments and we now have a remote working policy in place.

Although not the primary driver for this policy, there is an added benefit for the environment. We anticipate that Mintra will reduce carbon emissions created by staff commuting by 75%. In addition, travel to customer or Mintra offices that may have previously been deemed essential will be further reduced too.

Our community

As the pandemic began to impact the industries we serve, we considered how we could demonstrate support and create a sense of togetherness. Free online courses were made available to our customers on setting up Display Screen Equipment, and we followed this up with complimentary courses on hygiene, handwashing and how to safely return to the workplace. These courses were accessed over 10,000 times.

As time progressed, we began to realise the impact of the pandemic on individuals who were either on furlough or had been made redundant. We decided to act to support them and assist them with a route back to employment with the launch of the Skilled Worker Portal. It was developed to allow people in difficult circumstances to maintain their competence records and enhance their training by providing access, free of charge, to 15 of our most popular health, safety, environmental and technical courses. All those who signed up to Skilled Worker Portal continue to have access to training records and certifications - information usually stored by their employer. More than 700 courses were completed during the five months that the Skilled Worker Portal operated, representing 440 hours of eLearning.

As a result of these community initiatives, Mintra received two commendations from the Scottish Parliament and one from OGUK.

The Scottish Parliament
Pàrlamaid na h-Alba

Motion S5M-21437 (14/04/2020)
Free eLearning to Support Businesses and Individuals During COVID-19 Outbreak

"Newly developed COVID-19 and infection control courses will help workers keep themselves and their families up to date on how they can best protect themselves against the virus, and thanks Mintra for its efforts to best educate people to stop the spread of the virus."

OGUK

“This is a welcome initiative from Mintra at a time when many people in our industry face uncertainty due to the impact of the coronavirus pandemic and low oil and gas prices.”

OGUK Chief Executive Deirdre Michie

Governance

IT & data security

Mintra has its own in-house IT support team with a presence in Norway and the UK. A number of planned IT projects were successfully implemented throughout 2020 and were not impacted by the Covid-19 pandemic. These included:

- The relocation of the Mintra HQ data centre from Oslo to Bergen was completed entirely with little impact on the business operation.
- A new Disaster Recovery environment was installed to implement cross-site backup and replication, safeguarding business data in event of a localised incident.
- Migration to a new Mintra Office 365 platform, introducing a new brand, email domain, automated email signatures and new MintraNet SharePoint intranet.

We continued to place a heavy focus on protection of the business and customer data held on our systems. A major investment was made in an enterprise-grade Cyber Security Suite to protect all on-premise and the expanded remote device, as well as the data flow in and out of business applications. New cloud-monitored firewalls were installed with advanced threat prevention technologies, and all our devices are managed in real time with endpoint protection software and encryption tools.

Our email traffic – both inward and outward – is scanned and secured. We recognise that our people have a key role to play in maintaining the cyber health of our business and as such regular email phishing tests are sent to all staff. Those who do not pass the test are assigned mandatory training. All our security process and procedures have been audited and accredited to the UK government Cyber Essentials Plus programme.

Mintra performs a number of external security audits on software products produced. The most recent external audit was conducted on Trainingportal in August 2020, with a verification audit conducted soon afterwards to confirm that any findings were adequately addressed. Mintra encourages a pro-active approach to system security and this is part of the standard software development process. The implementation of regular automated penetration tests for all web-based software products is scheduled to be completed during the first quarter of 2021.

GDPR

Mintra processes a significant amount of personal data for our staff, customers and affiliated partners. As such, we have a strong focus on ensuring that we manage the process and activities around that data very closely. As outlined in our approach to IT and product security, we have robust management system, policies and information security set-up to regulate the management of information systems and other information assets, and secure against the adverse effects of failures in confidentiality, integrity, availability and compliance. We strictly maintain Records of Processing Activities and ensure the annual internal audit plan is complete alongside regular external audits of GDPR activities.

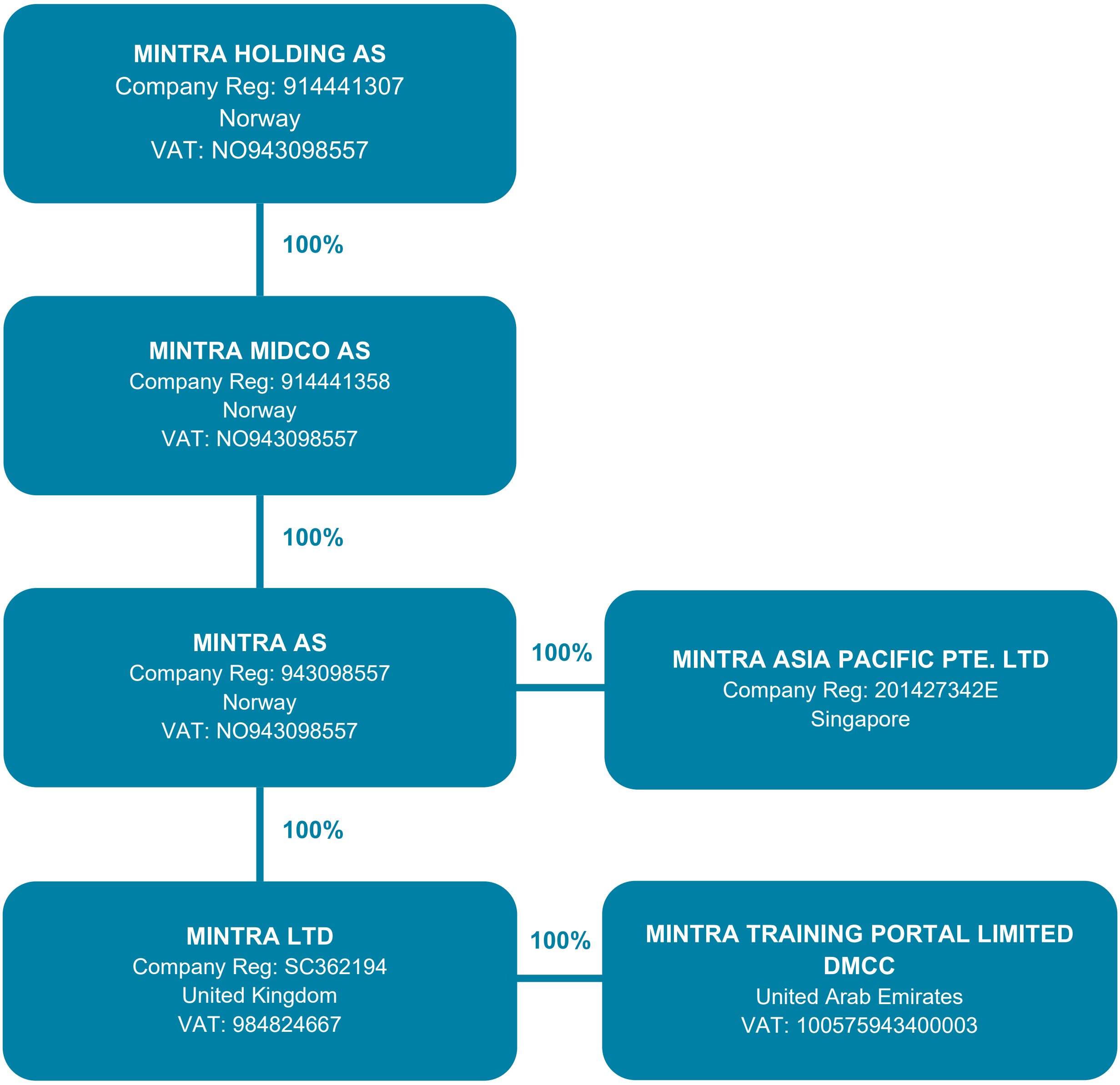
Quality assurance

Quality is at the centre of everything we do. Mintra's management system is ISO 9001:2015. This helps us to maintain a constant cycle of improvement across our business processes. Staff are encouraged to own their processes and take part in the audit cycle. This not only ensures accuracy and efficiency, but that changes to the system work for our team and are fully understood prior to implementation.

We have consistently demonstrated excellent compliance against our management system - across all departments - through our annual internal audit programme. We do not hesitate to make small adjustments to working practices and/or processes where required. As a company with multiple external accreditations, we are subject to numerous external annual audits from training course certification to whole management system scrutiny. The low number of findings as well as compliments from auditors gives us reassurance that we are set up for success. All actions to improve the management system, whether from staff, customers, auditors or new requirements, are tracked to completion through the action management system. With 136 cases opened in the last year and only 30 remaining open, the Mintra team has demonstrated its commitment to constant improvement.

Corporate structure

2020 Corporate structure



General meetings

AGM

In accordance with Norwegian law, the Annual General Meeting of Mintra's shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of General Meetings setting forth the time, venue and agenda of the meeting be sent to all shareholders whose addresses are known at least seven days prior to the date of the meeting. A shareholder may vote at the General Meeting either in person or by proxy. Although Norwegian law does not require Mintra to send proxy forms to its shareholders for General Meetings, we may include a proxy form with notices of General Meetings.

Right to attend

All our shareholders who are registered in the register of shareholders maintained with the Verdipapirsentralen (VPS) as of the date of the General Meeting, or who have otherwise reported and documented ownership to shares, are entitled to participate at General Meetings.

Shareholder initiatives

As of the date of this report, Mintra has not issued any options, warrants, convertible loans, or any subordinated debt or transferable securities. Mintra is expected to evaluate the need for establishing an incentive program at a later stage.

Board of directors

Our board is elected by our shareholders, in an ordinary or extraordinary General Meeting. In accordance with the Norwegian Private Limited Liabilities Act, the CEO and at least half of the members of the board of directors must either be resident in Norway or be citizens of and resident in an EU/EEA country. Mintra's registered business address, Fjøsangerveien 50, 5059 Bergen, serves as c/o address for the members of the board of directors in relation to their directorship.

The board of directors is responsible for the overall management of Mintra and may exercise all the powers of the company. In accordance with Norwegian law, they are responsible for, among other things, supervising the general and day-to-day management of our business, ensuring proper organisation, preparing plans and budgets for its activities, ensuring that our activities, accounts and asset management are subject to adequate controls and to undertake investigations necessary to ensure compliance with its duties. The board may delegate such matters as it sees fit to the executive management.

Board composition

The board is composed of eight full members. There are two employee representatives, in addition to the other five non-executive Directors and the Chairman. The employee representatives are elected by staff in open elections. Our Board of Directors comprises the following members:

Martin Scott / Chairman / Served since 2019

Martin is a partner at global investment firm The Riverside Company. He has over 30 years' technology experience, most recently leading technology and software-based investments across the Riverside Funds' portfolios. Prior to joining The Riverside Company, Martin was a senior partner in KPMG, MD at Crownway Investments and a management consultant with McKinsey. He is an EU Marie Curie Fellow and holds a PhD in Machine Learning from the University of Cambridge and a BA in Computer Science from Trinity College Dublin.

Jeroen Lenssen / Director / Served since 2014

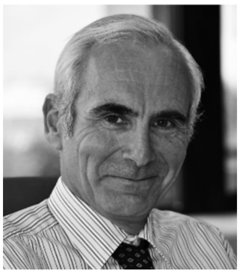
Jeroen has 18 years' experience working in the investment banking and private equity industries, including more than a decade working with The Riverside Company focusing on the Benelux and Nordic regions. He has extensive experience in international M&A, strategic planning and business modelling. Jeroen serves as board member of various companies including Reima in Finland and SEG in Sweden. He holds an M.sC. in Business Administration from Vrije University in Amsterdam, the Netherlands.

Anne Schiettecatte / Director / Served since 2018

Anne has more than 25 years' experience in the energy sector through various positions held within BP, including 15 years within HR/Training/Development. Currently, she acts as an independent consultant and executive coach. Anne holds an M.A. in Engineering Science from Oxford University.

Johannes Jamne / Director / Served since 2014

Johannes is a private investor and business developer who has been involved with Mintra in various capacities since 1998, in addition to his investments in other private companies. Prior to this, he was division manager at Kongsberg Våpenfabrikk, the founder and CEO of SysScan, consultant at PA Consultants, managing director of the privately-held investment company Aldebaran (now Kistefos AS) and CEO of publicly-listed Sysdeco Group. He holds an M.Sc. in Production Engineering from the Norwegian Technical University.



Wim De Deken / Director / Served since 2018

Wim holds an M.Sc. in Nautical Sciences from HZS Antwerp and has more than 40 years' experience in the maritime and offshore industry. His experience comes from positions such as marine officer, operations manager and account executive to project director for companies like Ahlers and Exmar. Wim is currently an independent consultant in the maritime and offshore industries. Wim retired from the Board in April 2021.

Brad Crain / Director / Served since 2018

Brad brings over 25 years of software engineering experience to the board. He has served in a number of senior engineering leadership roles, including VP, Engineering at SumTotal Systems, a leading talent management software provider where his work, among other things, included development of SaaS learning platforms. Brad holds B.A. degrees in Computer Science and Applied Mathematics from the University of California, Berkeley.

Ketil Toska / Director (employee rep) / Served since 2017

Ketil holds a degree in business and economics from the Norwegian Business School and has more than 27 years' experience of the B2B software market in the maritime and energy sectors. Prior to that, he was an instructor in the Norwegian Armed Forces. Ketil currently works in sales as strategic account manager and has been with us for 25 years.

Tom Ormberg / Director (employee rep) / Served since 2020

Tom is a senior consultant located in our Bergen office. He holds a college degree in administration, geography and history from University of Bergen, and has more than 14 years' experience from the B2B software market in the maritime and energy sectors. Prior to joining us, he worked with HR and payroll for six years in the energy industry. He has been chairman of the board for a building company since 2012, managing 110 apartments in central Bergen.

Audit committee

Mintra has an audit committee, the members of which as of the date of this report, are Jeroen Lenssen (Chair), Anne Schiettecatte and Wim De Deken, all members of the board of directors. The primary purposes of the audit committee are to:

- assist the board of directors in discharging its duties relating to the safeguarding of assets; the operation of adequate system and internal controls; control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance and accounting standards; and

- provide support to the board of directors on the risk profile and risk management of the company.

The audit committee reports and makes recommendations to the board of directors, but the board retains responsibility for implementing such recommendations.

Attendance

In 2020, there were eight board meetings. One was conducted face to face at the beginning of the year, with the remaining meetings conducted virtually. The board attendance in 2020 was 100% for all meetings.

MINTRA®

Senior management team

The senior management team is responsible for the day-to-day management of Mintra's operations in accordance with instructions set out by the board of directors. Among other responsibilities, our CEO is responsible for keeping the company's accounts in accordance with existing Norwegian legislation and regulations and for managing Mintra's assets in a responsible manner. In addition, at least every calendar quarter our CEO must brief the board of directors about Mintra's activities, financial and operating results. Mintra's senior management team comprises the following members:

Scott Kerr / CEO / Joined Mintra in 2016

Scott has more than 40 years of experience from the energy sector. Prior to joining Mintra, he held positions including CEO of Sevan Drilling and CEO of Norwegian Energy Company along with various management positions within BP and ARCO. Scott holds a B.Sc. in Petroleum Engineering from the University of Wyoming.

Siren Berge / CTO / Joined Mintra in 2016

Siren was the CEO of OCS HR at the time of Mintra's acquisition. She has an extensive track record in the software and maritime industry. Over the past 25 years, Siren has held a number of senior management positions, such as CEO and director of Emisoft AS, director of Hands ASA, manager of manufacturing and industry solutions in Merkantildata AS and partner and CEO of Emma EDB.

Gareth Gilbert / COO / Joined Mintra in 2017

Gareth has over 15 years' experience in managing operations and consulting teams. Prior to joining Mintra, he managed a consulting firm delivering change management, e-learning, design and communications. Gareth holds a B.Sc. in Technology and Business from the Robert Gordon University.

Ian Mackie / CFO / Joined Mintra in 2018

Ian is a chartered accountant with experience of business controlling and financial controlling positions within Parker Drilling, as well as accountancy at Hall Morrice LLP where he was an associate partner. Ian has an MA in Accountancy from Aberdeen University.

Kevin Short / CCO / Joined Mintra in 2018

Kevin was the CEO of Atlas Knowledge at the time of Mintra's acquisition. He has more than 20 years' experience from various sales and executive positions at companies such as Pitney Bowes, Hays DX and Uni-Data. Kevin holds a B.Sc. in Production and Operations Management from Nottingham University.

Controls

General

Mintra has an internal control system aimed at efficient delivery of the targets set by the board of directors. The internal control of financial reporting is an integrated part of the corporate governance. This includes work to ensure Mintra's operations are conducted correctly and efficiently, that laws and regulations are complied with and that financial reporting is accurate and reliable and in accordance with applicable laws and regulations.

Control environment

Mintra's control environment is based on the distribution of work among the board of directors, the committees and the CEO, and the corporate values on which the board of directors and the management communicate and base their work. The control environment is based on an organisation with clearly mapped roles and responsibilities with aims of the business defined for all staff.

In order to maintain and develop a well-functioning control environment, to comply with applicable laws and regulations, and to ensure compliance with Mintra's desired business practices, the board of directors, as the ultimately responsible body, has established a number of basic documents relevant to risk management and the internal control which consists of operational control documents, policies, procedures and instructions. Among these documents are the board's rules of procedure, instructions for the CEO, instructions for financial reporting, our code of conduct, communications policy, and insider policy.

Policies, routine descriptions and instructions are distributed to and signed by all relevant employees within Mintra through our intranet and learning platform. Employees are obliged to comply with our code of conduct and insider policy. Employees are regularly engaged to ensure they are aware of the content of relevant policies, routine descriptions and instructions.

The board of directors is responsible for the internal control of the financial reporting. The responsibility to maintain an effective control environment and the continuous internal control work is delegated to the CEO who, in turn, has delegated function specific responsibilities to managers on various levels across Mintra.

Risk management

Mintra has established a risk assessment procedure, meaning we conduct annual risk analysis and risk assessments which are followed up and reported quarterly. Based on this procedure, risks are identified and categorised according to four areas:

- Strategic risks
- Operational risks
- Compliance risks
- Financial risks

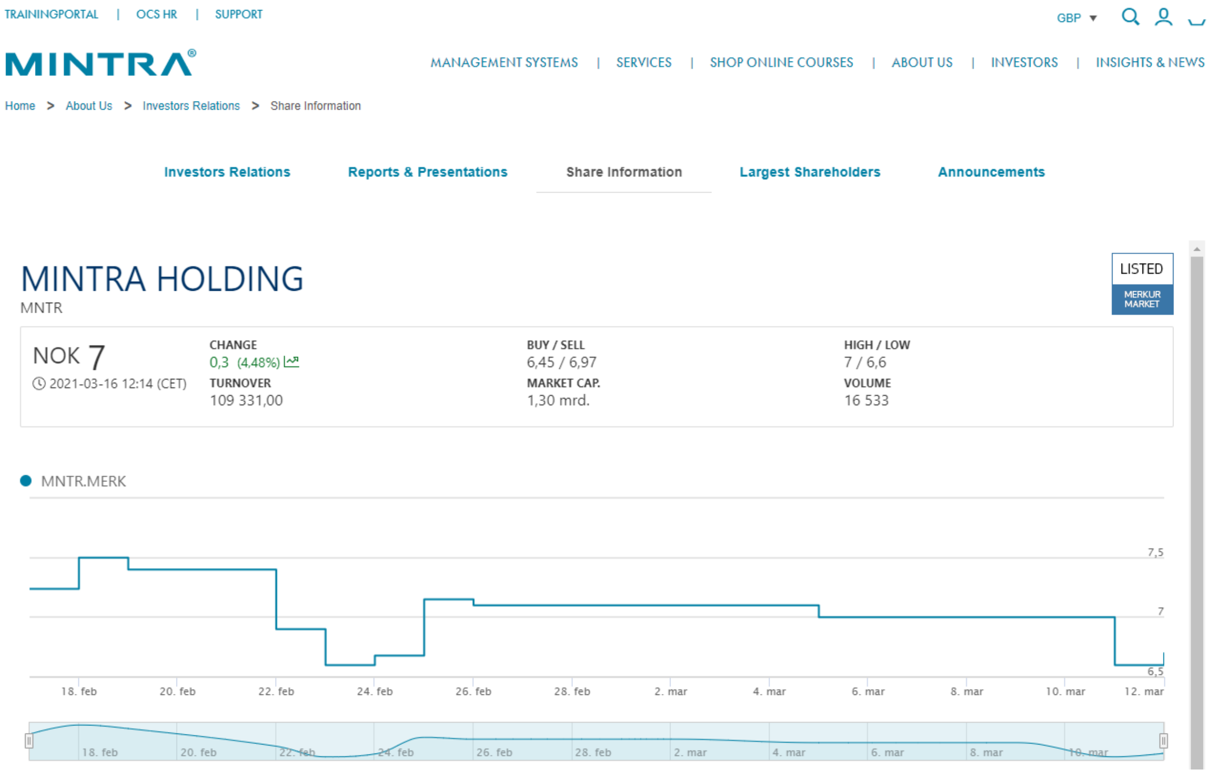
Our objective with risk analysis is to identify the most significant risks that may prevent us from achieving our targets or realising our strategy. Further, it is to evaluate these risks based on the probability that they will arise in the future and to what extent the risks may affect our targets if they were to occur.

Individual risks are assigned to a so-called risk owner. The risk owner has a mandate and responsibility to ensure actions and controls are established and implemented. The risk owner is also responsible for monitoring, follow-up and reporting of changes in Mintra's risk exposure to identified risks.

Identified risks are reported quarterly by the CFO to the audit committee and the board of directors. The board evaluates Mintra's risk management system, including risk assessments, and annually submit a description in which the most important elements of Mintra's internal control and risk management are examined in detail. The purpose of this procedure is to ensure that significant risks are managed and that controls to counteract identified risks are implemented.

Investor relations function & communication

Mintra has developed an investor relations site within mintra.com, which is connected via API to the Oslo Børs Stock Exchange. Announcements, our financial calendar, largest shareholders and share information is synchronised with stock market information. All our company reports, and presentations are also stored here and are easily accessible. **mintra.com/investors**



The site also contains specific contact forms for investor relations enquiries and the ability to sign up to receive relevant announcements. Mintra.com and the investor relations site are fully responsive and can be accessed on all devices. We also have a shared inbox for related enquiries monitored by senior management and the communications team. **ir@mintra.com**

Shareholders

Investor*	Number of shares	% of top 20	% of total	Type	Country
RCAF E-LEARNING SÀRL	71,617,932	46.20%	38.52%	Comp.	LUX
SKANDINAVISKA ENSKILDA BANKEN AB (ALCUR SELECT)	11,921,387	7.69%	6.41%	Nom.	SWE
STATE STREET BANK AND TRUST COMP	9,200,515	5.94%	4.95%	Nom.	USA
HSBC TRINKAUS & BURKHARDT AG	8,022,999	5.18%	4.32%	Comp.	DEU
NORDNET BANK AB	7,962,325	5.14%	4.28%	Nom.	SWE
SKANDINAVISKA ENSKILDA BANKEN AB	6,154,639	3.97%	3.31%	Nom.	SWE
DANSKE BANK A/S	5,199,819	3.35%	2.80%	Nom.	DNK
VERDIPAPIRFONDET NORDEA NORGE VERD	3,661,432	2.36%	1.97%	Comp.	NOR
RBC INVESTOR SERVICES BANK S.A.	3,653,000	2.36%	1.96%	Nom.	LUX
DNB BANK ASA	3,583,942	2.31%	1.93%	Nom.	SWE
VIKTIL INVEST AS	3,412,989	2.20%	1.84%	Comp.	NOR
KERR SCOTT IRVING	2,943,407	1.90%	1.58%	Priv.	USA
THE BANK OF NEW YORK MELLON	2,632,595	1.70%	1.42%	Nom.	USA
VERDIPAPIRFONDET NORDEA AVKASTNING	2,371,134	1.53%	1.28%	Comp.	NOR
SKANDINAVISKA ENSKILDA BANKEN AB	2,283,373	1.47%	1.23%	Nom.	SWE
J.P. MORGAN BANK LUXEMBOURG S.A.	2,245,000	1.45%	1.21%	Nom.	LUX
DZ PRIVATBANK S.A.	2,160,000	1.39%	1.16%	Nom.	LUX
JPMORGAN CHASE BANK	2,060,000	1.33%	1.11%	Nom.	LUX
VERDIPAPIRFONDET NORDEA KAPITAL	1,958,763	1.26%	1.05%	Nom.	NOR
SHORT KEVIN HUGH	1,955,753	1.26%	1.05%	Priv.	UK
Total number owned by top 20	**155,001,004**	**100.00%**	**83.36%**		
Total number of shares	**185,932,837**		**100%**		

* as at 27 April 2021

mintra.com/about-us/investor-relations/largest-shareholders

Board of directors' report 2020

Mintra reported revenue of NOK 205.3 million (2019 – NOK 232.0m) and grew operating profit by 100% to NOK 47.4 million, up from NOK 23.7 million in 2019, despite a business environment which was disrupted by the Covid-19 pandemic.

Cash conversion continued to be very strong. The Group reported cash flow from operations of NOK 73.6 million in 2020 (2019 – NOK 22.1 million) and had a strong net financial position of NOK 118.9 million (cash, less net interest-bearing debt) at the end of the year.

Mintra strengthened its maritime business development team in Europe and the Far East, with the maritime sector being a key focus for the business in 2021.

The Board of Mintra Holding AS would like to thank all Mintra employees for their collective effort and contribution to Mintra's performance, culminating in its listing on Euronext Growth under very challenging circumstances during 2020.

Company overview

Mintra Holding AS is the Norwegian registered parent of several operating companies in Norway, United Kingdom, United Arab Emirates and Singapore, which comprise the Mintra Group, a leading provider of on-demand digital learning and enterprise HCM software solutions for safety-critical industries worldwide.

Mintra's focus is to protect and improve businesses by protecting and improving their people.

From the headquarters in Bergen and offices in Oslo, Stavanger, Aberdeen, Amsterdam, Dubai, Limassol, Hyderabad and Singapore, Mintra provides services to 3,600 companies. For over 30 years Mintra products have helped customers with HR, planning, payroll, crew rotation and eLearning across industries as diverse as energy, maritime, construction, fishing and wind energy.

Mintra's leading market position and competence in eLearning and HCM has enabled the company to grow organically at an average rate of 15% CAGR over the last decade - a rate higher than that of the market in general.

In addition to organic growth, Mintra has pursued an M&A strategy to further strengthen and consolidate its market position. Mintra's current organisational structure is the result of the merger of eLearning and HCM companies in Norway, the United Kingdom and the Middle and Far East. Mintra's strategic intent and M&A activity is explained in depth on pages 14-18.

Market trends

Mintra is strategically positioned in the midst of significant shifts in four global megatrends - education, digitalisation, regulation and sustainability. These megatrends are already affecting dramatic change, with profound effects on society, known as the digital transformation.

Globally, both the private and public sectors are converting vast amounts of information into digital form. As information is made digital, it can be collected, processed, managed, and distributed with methods and at a scale which was previously impossible. This digitalisation completely redefines how businesses supply and consume goods and services.

Mintra believes that by combining our growth strategies with these megatrends, we will evolve into a global leader in delivering HCM systems and learning technologies across a diverse sector customer base.

Business strategy

The Mintra five-year growth strategy is discussed on page 15 and is focussed on the three main pillars of our online technology platforms, our focus on maritime and safety-critical industries and our geographical expansion in the Middle and Far East.

Mintra's solution offering is explained on page 7, and can be categorised in two major areas:

- Mintra's learning and competence management system (Trainingportal), which delivers our portfolio of over 2,000 courses globally, to over 1.7 million workers;
- Mintra's OCS HR system which helps control and automate complex HR tasks in the maritime industry.

Financial summary

Income statement

Despite a challenging environment in 2020, first year of generating positive net profit. As a direct result of the strategic decision to exit the high-revenue, low-margin Training Management Services ('TMS') at the end of 2019, revenue fell 11.5% to NOK 205.3 million, however gross margins improved to 90% from 84% in 2019.

Operating profit accelerated to NOK 47.4 million (23.1% of revenue) from NOK 23.7 million in 2019 (10.2% of revenue), driven by strong HCM Software revenues and a lower cost base, following restructuring in 2019, after the strategic acquisition of Atlas Knowledge.

Reported revenues are lower than expected largely due to weaker eLearning performance as the pandemic forced customers to delay training activity, due to travel restrictions.

HCM software revenues are up 22% in 2020 compared to 2019, however, eLearning revenue decreased by 16% on the prior year, impacted by lower energy sector activity. This was as a result of customers issuing temporary layoffs and reducing their workforces, thereby delaying planned training activity.

Profit before tax was NOK 7.7 million compared with a loss of NOK -22.4 million last year. Tax expenses were NOK 3.9 million. Net profit after tax grew NOK 23.1 million to NOK 3.8 million, up from a loss of NOK -19.3 million in 2019.

Segment information relating to revenues and gross margins is detailed in Note 5.

Costs

In 2019, Mintra took active measures to reduce its operating expenses following the Atlas Knowledge acquisition at the end of 2018, leveraging the overlap across the two businesses. This enabled enhanced productivity, and with a high operating leverage business model, Mintra was well positioned to adapt to a more challenging market environment, accelerated by the Covid-19 pandemic.

Mintra's average number of employees reduced by 26 full-time equivalent employees at the end of 2020 compared with the start of the year, a reduction of 19%. Furthermore, budgets for travel, marketing, and facility operations were greatly reduced following the onset of the Covid-19 pandemic.

Net financial items were NOK -39.7 million for the year, compared with NOK -46.1 million in 2019. The reduction was driven by the reduction in net debt, paid down following the IPO in early October.

In accordance with section 3-3a of the Norwegian Accounting Act, the Board of Directors confirms that the prerequisites for continued operations have been met, and that the financial statements have been prepared on a going-concern basis.

Segmentation

Geographical and product segmentation are discussed in more detail in Note 5 to the financial statements.

The business operates three revenue divisions – eLearning, HCM software and Consultancy. eLearning and HCM Software have high gross margins of around 90% combined, while Consultancy, which is more labour-intensive, has lower margins. The mix of revenue shifted, with Consultancy accounting for 22% of revenue in 2020, compared to 31% in 2019.

Balance sheet & cash flow

As of 31 December 2020, the Group had total assets of NOK 984 million. Current assets such as cash, receivables and contract assets account for NOK 330 million of total assets. Non-current assets represented NOK 654 million of this total, and primarily consisted of goodwill (NOK 602.6 million), Product development costs (NOK 27.2 million), property, plant and equipment (NOK 4.4 million), right-of-use leased assets (NOK 14.2 million), and deferred tax assets (NOK 5.2 million).

The Group had total liabilities of NOK 265.7 million (down from NOK 550.7 million at the end of 2019) and shareholders' equity of NOK 718.3 million as of 31 December 2020 (up from NOK 245.7 million at the end of 2019), driven largely by the listing event at the beginning of Q4.

The Group's cash flow from operations was an inflow of NOK 74.8 million in 2020, up from NOK 22.1 million in the prior year. This improvement is based on solid cash earnings and lower working capital requirements compared with last year. Cash flow from investments was an outflow of NOK 13.5 million, up slightly on 2019, demonstrating management's commitment to continue to invest around 6% of revenues in research and development activities.

Cash flow from financing was an overall inflow of NOK 176.9 million in 2020. The inflow is a result of NOK 469.8 million of funds raised in the IPO, net of transaction costs, which coincided with a refinancing of debt with Nordea Bank Norway ASA, securing facilities to the middle of 2023. The IPO event and refinancing of debt allowed the business to pay down borrowings by NOK 333.1 million and rolled up interest on these borrowings of NOK 66.2 million.

The Group's net cash flow was an inflow of NOK 238.2 million in 2020. Currency fluctuations increased the cash balance by NOK 1.5 million during the year. The Group's cash balance was NOK 229.6 million at 31 December 2020, compared with NOK -10.1 million at 31 December 2019.

The Group is bound by certain banking covenants as part of condition of its facility with Nordea Bank Norway ASA, which are summarised under the Going concern heading in Note 2 – Basis of preparation of financial statements. The Group was compliant with such covenants throughout the reporting period.

Mintra's interest-bearing debt primarily consists of loans of NOK 110.7 million from the Nordea, due to mature in 2023. The Group has additional short-term credit facilities to manage fluctuations in liquidity throughout the year. Further information on debts and credit facilities can be found in Note 22 in the Group financial statements.

Risk factors

The Group's risk management is detailed on page 47 and its financial risk management strategy is explained in Note 4 to the financial statements.

Personnel & organisation

Mintra's values place people at the centre of our business. Our diverse employee base, investment in employee competence and development, and in the health and wellbeing of our employees is explained in pages 28 to 32 of the Annual Report.

Management of sickness absence is a priority within the business. We want our team to be healthy and in order to ensure we are managing sickness absence we have reviewed and streamlined our process. This new process allows the HR team to support the individual with their return to full fitness.

In the last 12 months we have seen a reduction in the total number of days sickness within the team. In 2020, 648 sick days were recorded against 793 in 2019.

Health, safety & environment policy

We strongly believe that all work incidents related to people, environment and assets can be prevented. Our aim is to keep our people safe and limit our impact on the environment.

All employees are expected to encourage the development of a strong organisational culture, founded on our values, and led by management. Our employees are given effective training, instruction and supervision which assists them to make strong health, safety and environmental (HSE) decisions both at work and home. We have a responsibility to look out for each other, ensuring the health and wellbeing of our colleagues including listening to others when they speak to us about HSE.

We focus on preventing work-related mental health issues, illness and accidents and continually improve the work environment for our employees. Through constant dialogue with our employees we provide activities and initiatives to assist with making healthy life choices, encouraging an active lifestyle and ability to socialise. We will continue to do this while supporting our colleagues to work from home, whether this is by employee choice or mandated by government.

Risk management is core to our company, and we seek to minimise risk through the use of safe facilities and equipment, control of our processes and regulatory compliance. We achieve this by regularly reviewing our risk assessments and work activities against best practice, technological advances and changes in operating environments.

We strive to continually reduce our environmental footprint through how we choose, use and dispose of resources. By measuring our impact, Mintra is committed to minimise our harm to the environment. Utilising our innovative technological solutions, we can support our customers to reduce their carbon-emitting activities such as training and travel.

In 2020 we have had one injury which required first aid treatment due to a defective door at the Aberdeen premises. Appropriate remedial action was taken immediately.

As part of our ongoing Covid-19 response, each office is following local government guidance on restrictions around office openings. Work from home is both supported and encouraged by Mintra. Where there are essential tasks carried out in offices, such as onboarding of new employees, server or IT-related or essential building maintenance, access is controlled via line management and recorded in an HR email inbox. Generalised planning is taking place to allow some more frequent access to offices in future such as spacing, limited numbers and hygiene measures, however Mintra is awaiting further, more detailed government guidance on office re-opening and measures to implement. Alongside this, Mintra continues to encourage long-term work from home and work is ongoing to ensure managers have the necessary information and skills to support their individuals and teams remotely.

Corporate social responsibility

Mintra observes the UN Global Compact's principles in the areas of human rights, labour rights, the environment and anti-corruption.

Mintra’s focus on Environmental, Social and governance (ESG) is outlined in the ESG section of the Annual report, starting on page 33.

Allocation of net profit

Mintra Holding AS is the parent company of the Group. The parent company currently has no employees, however, incurs certain group costs around compliance, audit and investor relations, which it re-charges to the operating entities in the group. The resultant net loss of NOK 26.7 million relates mainly to interest expense and foreign exchange losses on Sterling denominated debt which was repaid following the IPO.

The combined group retained a net profit for the year of NOK 3.8 million (2019 – a retained loss of NOK 19.3 million). The Board of Directors propose that the resultant net profit of NOK 3.8 million is transferred to retained earnings.

Following the listing event, the Board reconfirmed that in the short term, Mintra would re-invest profits in its growth ambitions. The company’s dividend policy will continue to develop during the period of the five-year growth plan.

Business outlook

Based on its competitive advantages and leading market position, Mintra is well-positioned to maintain its long-term growth rate. At the same time, Mintra expects to increase its operating profit through a combination of revenue growth, expansion in higher margin products and services, and tight control of operating expenses, in conjunction with its M&A strategy.

Since the start of 2020, the Covid-19 pandemic has resulted in a sharp slowdown in the global economy. While all businesses continue to face uncertainty with the Covid-19 pandemic, Mintra is structurally well-suited for the current economic environment.

Mintra’s revenue base is substantially either contract backed or recurring, with no dominant customer generating more than 5% of group revenues.

Market outlook

Mintra believes that in combining our growth strategies with the four megatrends outlined earlier (education, digitalisation, regulation and sustainability), the group is strategically well positioned to grow. Mintra’s eLearning business was negatively impacted by a weaker global economy during the past year, particularly within the energy sector. Furthermore, the Covid-19 pandemic has led to the postponement of large capex projects in the energy sector, which delayed the training of these workforces.

Mintra’s HCM software revenues grew 22% in 2020, as our customers seek to automate manual processes, and gain cost efficiencies in managing their workforces.

Mintra expects that the market for eLearning will improve in 2021, consistent with estimates from independent market research reports. In addition, following the acquisition of Safebridge (Note 45), Mintra has added more than 500 new customers and over 200,000 users to its platforms.

Responsibility statement

We confirm to the best of our knowledge that;

- the consolidated financial statements for 2020 have been prepared in accordance with IFRS as adopted by the EU, as well as additional information requirements in accordance with the Norwegian Accounting Act, and that
- the financial statements for the parent company for 2020 have been prepared in accordance with Norwegian GAAP pursuant to section 3-9 of the Norwegian Accounting Act, as well as additional information requirements in accordance with the Norwegian Accounting Act, and that
- the information presented in the financial statements gives a true and fair view of the Company's and Group's assets, liabilities, financial position and result for the period viewed in their entirety, and that
- the Board of Directors' report gives a true and fair view of the development, performance and financial position of the Company and Group, and includes a description of the principal risks and uncertainties.

martin scott (Apr 28, 2021 18:06 GMT+1)

Martin Scott
Chairman

Scott I. Kerr
Scott I. Kerr (Apr 28, 2021 16:07 PDT)

Scott Kerr
CEO

Jeroen Lenssen (Apr 29, 2021 10:13 GMT+2)

Jeroen Lenssen
Director

Anne Schiettecatte

Anne Schiettecatte
Director

Johannes Jamne
Johannes Jamne (Apr 29, 2021 17:06 GMT+2)

Johannes Jamne
Director

BWCrain
BWCrain (Apr 29, 2021 08:12 PDT)

Brad Crain
Director

Ketil Toska
Director (employee representative)

Tom Ormberg
Tom Ormberg (Apr 29, 2021 17:39 GMT+2)

Tom Ormberg
Director (employee representative)

Building a better
working world

Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, NO-5006 Bergen
Postboks 6163, NO-5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
Fax:
www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Mintra Holding AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mintra Holding AS comprising the financial statements of the parent company and the Group. The financial statements of the parent company comprise the balance sheet as at 31 December 2020, the income statement and statements of cash flows and changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements comprise the balance sheet as at 31 December 2020, the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion,

- the financial statements are prepared in accordance with the law and regulations
- the financial statements present fairly, in all material respects, the financial position of the parent company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway
- the consolidated financial statements present fairly, in all material respects the financial position of the Group as at 31 December 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway for the financial statements of the parent company and International Financial Reporting Standards as adopted by the EU for the financial statements of the Group, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Bergen, 29 April 2021
ERNST & YOUNG AS

Truls Nesslin
State Authorised Public Accountant (Norway)

2020 Consolidated financial statements

Statement of comprehensive income for the year ended 31 December 2020

Figures presented in NOK'000	Note	2020	2019
Revenue	5	203,834	231,497
Other income	6	1,488	508
Total revenue		**205,322**	**232,005**
Cost of sales		20,447	37,050
Gross profit		**184,875**	**194,955**
Administrative expenses	6,7,8,9	134,902	171,261
Listing costs		2,573	-
Operating profit		**47,400**	**23,694**
Finance			
Finance income	10	3,822	757
Finance expense	10	43,512	46,866
Profit before tax from continuing operations		**7,710**	**-22,415**
Income tax expense	11	3,914	-3,149
Profit for the year from continuing operations		**3,796**	**-19,266**
Income attributable to:			
Shareholders of the Parent Company		3,796	-19,266
		3,796	**-19,266**
Consolidated statement of other comprehensive income			
Other comprehensive income			
Items that may be reclassified to the income statement			
Translation adjustments		-2,506	-860
Other comprehensive income for the period, net of tax		-2,506	-860
Other comprehensive income for the year		**1,290**	**-20,126**
Other comprehensive income for the year, attributable to:			
Shareholders of the Parent Company		1,290	-20,126
		1,290	**-20,126**
Earnings per share, based on income attributed to shareholders of the Parent Company during the year (NOK / share)	32		
Earnings per share			
- basic		0.01	-0.14
- diluted		0.01	-0.14
Average number of shares, basic		146,678,716	134,297,140
Average number of shares, diluted		146,678,716	134,297,140

Other comprehensive income refers in its entirety to foreign exchange differences without tax effect. The following Notes form an integral part of the consolidated financial statements.

The Notes on pages 66 to 126 are an integral part of these consolidated financial statements. The results for the current and previous years arose wholly from continuing operations.

Balance sheet as at 31 December 2020

Figures presented in NOK'000	Note	2020	2019	2018
Assets				
Non-current assets				
Property, plant and equipment	12	4,375	4,448	4,793
Right-of-use assets	12/23	14,218	19,440	24,344
Intangible assets	13	629,771	631,895	632,402
Financial assets		169	105	1,317
Deferred tax assets	16	5,155	9,133	7,021
		653,688	665,021	669,877
Current assets				
Trade receivables	18	82,113	85,252	67,738
Other receivables	18	13,526	20,947	15,803
Contract assets	19	5,082	6,204	14,719
Cash and short-term deposits	22	229,591	19,009	14,957
		330,312	131,412	113,217
Total assets		**984,000**	**796,434**	**783,094**
Equity and liabilities				
Equity				
Issued capital	20	5,578	4,032	4,032
Share premium	39	826,222	356,474	356,374
Retained earnings		-113,474	-114,761	-94,635
Total equity		**718,326**	**245,745**	**265,771**
Non-current liabilities				
Interest-bearing loans and borrowings	22	100,882	113,901	131,730
Finance lease liabilities	23	13,342	18,192	23,251
Deferred tax liabilities	16	3,399	4,477	5,546
		117,623	136,570	160,527
Current liabilities				
Trade and other payables	24	6,606	14,346	78,237
Other short term payables	24	16,932	52,055	-
Tax and public duties payable	24	19,836	22,378	-
Deferred income	24	81,967	70,060	62,157
Interest-bearing loans and borrowings	22	9,815	244,990	198,681
Finance lease liabilities	23 24	5,107	5,059	4,681
Income tax payable	24	1,156	199	-187
Contract liabilities	19 24	6,632	5,032	13,227
		148,051	414,119	356,796
Total liabilities		**265,674**	**550,689**	**517,323**
Total equity and liabilities		**984,000**	**796,434**	**783,094**

Statement of Changes in Equity for the year ended 31 December 2020

Figures presented in NOK'000	Share capital	Share premium	Retained earnings	Total
Balance at 1 January 2019	4,032	356,374	-94,635	265,771
Loss for the year	-	-	-20,126	-20,126
Issue of 100 Deferred A Shares of 1 NOK each	-	100	-	100
Balance at 31 December 2019	**4,032**	**356,474**	**-114,761**	**245,745**
Share issue from IPO	1,546	-	-	1,546
Share premium on share issue	-	498,392	-	498,392
Less: Share issue costs	-	-28,647	-	-28,647
Profit for the year	-	-	1,290	1,290
Balance at 31 December 2020	**5,578**	**826,219**	**-113,471**	**718,326**

Statement of cash flows for year ended 31 December 2020

Figures presented in NOK'000	Note	2020	2019
Cash flow from operating activities			
Net profit / loss		3,796	-19,266
Adjustments to reconcile net profit / loss to net cash used in operating activities			
Depreciation & amortisation	7	19,791	19,962
Changes in deferred taxation		2,879	-3,183
Changes in current tax liability		1,156	-
Unwinding of finance fees		833	-
Net foreign currency exchange rate differences		16,540	12,005
Changes in operating assets and liabilities			
Trade and other receivables		17,498	-60,412
Trade and other payables		-6,429	38,219
Net Interest expense		18,745	34,738
Net cash generated in operating activities		**74,809**	**22,063**
Cash flow from investing activities			
Proceeds from short term and long-term receivables		-	1,211
Payments towards property and equipment		-782	-570
Payments towards research and development expenditure		-12,391	-13,731
Tax paid / refunded		-319	43
Net cash used in investing activities		**-13,492**	**-13,047**
Cash flow from financing activities			
Proceeds from borrowings		115,400	20,999
Payments towards borrowings		-333,067	-19,286
Lease repayments		-4,805	-4,681
Net proceeds from issuance of capital		469,745	100
Arrangement fee paid		-4,148	-
Interest paid		-66,240	-8,594
Net cash provided / used by financing activities		**176,885**	**-11,462**
Net increase/ decrease in cash		238,202	-2,446
Cash and cash equivalents at beginning of year		-10,080	-6,047
Effects of exchange rate on cash and cash equivalents		1,469	-1,587
Cash and cash equivalents at end of year		**229,591**	**-10,080**

Financial statements board approval

martin scott (Apr 28, 2021 18:06 GMT+1)

Martin Scott
Chairman

Scott I. Kerr
Scott I. Kerr (Apr 28, 2021 16:07 PDT)

Scott Kerr
CEO

Jeroen Lenssen (Apr 29, 2021 10:13 GMT+2)

Jeroen Lenssen
Director

Anne Schiettecatte
Director

Johannes Jamne
Johannes Jamne (Apr 29, 2021 17:06 GMT+2)

Johannes Jamne
Director

BWCrain
BWCrain (Apr 29, 2021 08:12 PDT)

Brad Crain
Director

Ketil Toska
Director (employee representative)

Tom Ormberg
Tom Ormberg (Apr 29, 2021 17:39 GMT+2)

Tom Ormberg
Director (employee representative)

Notes to the consolidated financial statements

Note 1 Corporate information

The consolidated financial statements of Mintra Holding AS and its subsidiaries (collectively, 'the Group') for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 29 April 2021. Mintra Holding AS (the 'Company' or the 'Parent') is a limited company incorporated and domiciled in Norway. The registered office is located in Bergen, Norway. The Group is a leading provider of on-demand digital learning and enterprise HCM software solutions for safety-critical industries worldwide (see Note 5). Information on the Group's structure is provided in Note 35. Information on other related party relationships of the Group is provided in Note 31.

Note 2 Basis of preparation of financial statements

The consolidated financial statements consolidate those of the Parent company and its subsidiaries. The Parent company financial statements present information about the Company as a separate entity and not about its Group.

For all periods up to and including the year ended 31 December 2019, the Group prepared its financial statements in accordance with local generally accepted accounting principles in Norway (NGAAP). These financial statements for the year ended 31 December 2020 are the first the Group has prepared in accordance with IFRS. Refer to Note 33 for information on how the Group adopted IFRS.

The Company has elected to prepare its Parent company financial statements in accordance with Norwegian GAAP.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

(i) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and were approved by the board of directors on 29 April 2021.

(ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are stated at fair value. Any changes in fair value are reflected in the income statement.

The methods used to measure fair values are discussed further below.

(iii) Functional & presentation currency

These consolidated financial statements are presented in Norwegian Kroner (NOK), which is the functional currency of the largest operational company in the Group. All financial information presented has been rounded to the nearest NOK 1,000 (unless otherwise indicated).

(iv) Use of estimates & judgements

The key estimates and underlying assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(v) Judgements

Revenue recognition

For Consultancy and other revenue, the stage of completion is determined based on the proportion of contract costs incurred compared to total estimated contract costs. The outcome of a development project can be determined with reasonable certainty when a project budget is agreed which sets out milestones and costs for all project deliverables. Staff and contractors record their actual time and external costs spent on each project which is regularly reviewed against budget.

In making its estimation as to the amounts recoverable on contracts, management considers estimates of anticipated revenues and costs from each contract and monitors the need for any provisions for losses arising from adjustments to underlying assumptions if this indicates it is appropriate. The amount of profit or loss recognised on a contract has a direct impact on the Group's results and carrying value of amounts recoverable on contracts. The Directors are satisfied that their judgement is based on a reasonable assessment of the future prospects for each contract.

During the year to 31 December 2020 management reviewed the contracts in place and did not note any contracts where there was specific increased estimation uncertainty. Management has reviewed contracts that were ongoing at the prior year end and there were no significant adjustments to the budgeted margin.

Where the stand-alone selling price of support and maintenance services bundled in an on-premise licence contract are not observable, management allocates the transaction price to the distinct performance obligations based on expected cost plus margin, the basis of this calculation is derived from historic experience and data.

Impairment reviews

IFRS requires management to undertake an annual test for impairment of indefinite lived assets (goodwill) and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Goodwill impairment testing is an area involving management estimates, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- Growth in adjusted EBIT;
- Long-term growth rates; and
- The selection of discount rates to reflect the risks involved.

The adjusted EBIT is calculated on the same basis as the adjusted EBIT within the Statement of Comprehensive Income. The Group prepares and approves a detailed annual budget, three-year strategic plan and five-year management plan for its operations, which are used in the value in use calculations.

Deferred tax

Income tax expense, deferred tax assets and liabilities and liabilities for unrecognised tax benefits reflect management's best estimate of current and future taxes to be paid. The Group is subject to income taxes in Norway, the UK and several other foreign jurisdictions. The deferred tax balances relate to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred tax assets are recognised to the extent that it is probable that the future taxable profits will allow the deferred tax assets to be recovered. In evaluating the Group's ability to recover deferred tax assets in the jurisdiction from which they arise, management considers all available positive and negative evidence, including historic and projected future performance, and external market factors.

Business combinations

Note 13 - measurement of the recoverable amounts relating to cash-generating units containing goodwill;

Financial Instruments

Note 26 - valuation of financial instruments including the allowance for expected credit loss on trade receivables.

Going concern

The Group's business activities and financial position, together with the factors likely to affect its future development and performance, are set out in the Strategic Report on pages 13 to 17.

Note 4 - to the financial statements also discloses the objectives, policies and processes for managing the financial risks to which the Group is exposed. These include foreign exchange risk, cash flow and fair value interest rate risk, credit risk, liquidity risk and capital risk.

The Group's forecasts and projections, and sensitivity analysis thereof, show that the Group has sufficient financial resources for the foreseeable future, is well-placed to manage its business and financial risks, and will comply with covenants relating to its financing facilities. Principal covenants are ratios relating to levels of capital expenditure, equity ratio and cashflow to total debt service.

When evaluating possible changes to forecasts which may adversely impact on these covenants, the directors have also identified possible mitigating actions available to the Group including managing the timing of specific capital and operational expenditure. The directors therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

Note 3 Significant accounting policies

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2020 including the statement of comprehensive income and cashflow statement for the period ending 31 December 2020.

Subsidiaries are all companies for which the Group has control. The Group controls a company when it is exposed to, or has the right to, variable returns from its holding in the Company and has the ability to influence the returns through its power over that other company. Subsidiaries are included in the consolidated financial statements from the date that control is transferred to the Group. They are excluded from the consolidated financial statements from the date such control ceases.

The purchase method is applied for the Group’s business acquisitions. The purchase price for an acquired subsidiary is the fair value of the assets given, liabilities assumed by the Group to the previous owners of the acquired company, and the shares issued by the Group. The purchase price also includes, in applicable, the fair value of any assets or liabilities arising from a conditional purchase price. Identifiable acquired assets and assumed liabilities in a business acquisition are initially measured at fair value on the day of the acquisition. At acquisition, the Group will decide on an acquisition-by-acquisition basis if the measuring of the holding in a non-controlling interest will be made at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

Transaction costs attributable to the acquisition are expensed as incurred.

3.2 Transactions & balances eliminated on consolidation

Intra-group transactions and balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

3.3 Summary of significant accounting policies

The accounting policies set out below have unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the Group:

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Intangible fixed assets

Goodwill

Goodwill arising on these acquisitions represents the difference between the fair value of the purchase consideration and the fair value of the Group's share of the identifiable net assets of the acquired entity. Directly attributable costs of executing the acquisitions are charged to the income statement in accordance with IFRS 3 (revised), Business Combinations.

Goodwill is not subject to amortisation but is reviewed for impairment at the end of the first full financial year following the acquisition and annually thereafter. It is also reviewed at other points if events or changes in circumstances indicate that the carrying value may not be recoverable. Goodwill is stated at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to the cash-generating unit in respect of which the goodwill arose. Impairment is determined by assessing the ability of the cash-generating units to generate future cash flows and comparison of the resulting values with the respective goodwill balances. Impairment losses in respect of goodwill are not reversed.

Negative goodwill on acquisitions is immediately recognised in the income statement.

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life, which is typically three to five years.

Research & development

Expenditure on research activities is recognised in the income statement as the costs are incurred.

Expenditure on development activities is capitalised where:

- the process or final product is considered to be technically and commercially feasible;
- and, the Group intends, (and has the technical ability and sufficient resources) to complete the development;
- and, future economic benefits are probable;
- and, the expenditure attributable to the asset during its development can be measured reliably. Development activities involve a plan or design of the production of new or substantially improved products or processes.

Expenditure which is capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Capitalised development expenditure is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over estimated useful lives, typically ranging between three to five years.

Other development expenditure is recognised in the income statement as the costs are incurred.

Tangible fixed assets

(i) Recognition & measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment at the Group's IFRS transition date was determined by reference to its depreciated cost as at that date.

Cost comprises the purchase price or construction cost and any costs directly attributable to making the asset capable of operating as intended, in the intended location. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given in order to acquire the asset.

When elements of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposals of property, plant and equipment is determined by comparing the proceeds from disposal with the corresponding carrying amounts and are recognised net within other income in the income statement.

(ii) Depreciation

Depreciation is calculated on a straight-line basis to allocate the cost less residual values to the income statement over the estimated useful lives of each asset. Assets acquired under lease arrangements are depreciated over the shorter of the lease term and their useful lives.

The estimated useful lives are as follows:

Buildings – shorter of 25 years or duration of primary ground lease period
Fixtures, fittings and computer equipment – three to five years.

Improvements to leasehold premises are depreciated over the primary period of the leases to which the improvements relate. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Foreign currencies

(i) Transactions & balances

Transactions denominated in foreign currencies are translated and recorded at exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at each balance sheet date. Gains and losses on retranslation are recognised in the profit and loss account for the year.

(ii) Subsidiaries

The results and financial position of all subsidiaries that have a functional currency other than NOK are translated into NOK as follows:

- assets and liabilities for each balance sheet presented are translated at rates ruling at the balance sheet date;
- income and expenses for each income statement are translated at average exchange rates; and;
- resulting exchange differences are recognised directly in equity in a separate foreign currency translation reserve (FCTR) in the consolidated balance sheet.

When a foreign subsidiary is disposed of, the portion of the FCTR relating to that subsidiary is included as part of the calculation of profit or loss on the sale.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts relating to prior periods of service. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the income statement when they are earned, independent of invoice due date. All of the Group's employees participate in plans of this nature.

Short-term benefits

Short-term employee benefit obligations such as annual performance bonuses are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid as a short-term benefit if the Group has a present legal or constructive obligation to pay this benefit as a result of past service provided by the employee and the amount of the obligation can be measured reliably.

Leasing

Effective 1 January 2019, the Group adopted IFRS 16, Leases under the retrospective method. Under the new standard, all leasing agreements with a duration exceeding 12 months are to be capitalised as financial leases. The Group assesses whether a legally enforceable contract is or contains a lease at the inception date of the contract. The assessment includes several criteria to be determined based on judgment that includes whether there is an identifiable asset in connection to the lease, whether the Group has the right to control the use of the identifiable asset, and whether the Group can obtain substantially all economic benefits from the identifiable asset.

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The lease liability is calculated based on the present value of the contractual minimum lease payments using the implicit interest rate of the lease. The Group uses the incremental borrowing rate in the case the implicit rate cannot be readily determined from the lease contract. The contractual minimum lease payments consist of fixed or variable payments, including those resulting from options in which management is reasonably certain it will exercise during the lease term. The lease liability is subsequently measured at amortised cost under the effective interest rate during the lease term and may also be adjusted to management's reassessment of future lease payments based on options exercised, renegotiation, or changes of an index rate.

The ROU asset is calculated based on the lease liability, plus initial direct costs towards the lease, and less any incentives granted by the lessor. The ROU asset is subsequently amortised under the straight-line method under the shorter of the lease term or the useful life of the underlying asset and is included as part of depreciation and amortisation in the accompanying financial statements.

Leases that fall under the IFRS 16 short-term exception are recognised on a straight-line method over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is defined as the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any;
- Difference recognised in profit or loss. The lease liability is then further adjusted to ensure its' carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to any services provided by the supplier as part of the contract.

Short-term leases & leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Right-of-use assets

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Financial Instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in trade and other receivables, contract assets, cash and cash equivalents, loans and borrowings, and trade and other payables.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Derivative financial instruments

Derivative financial instruments are recognised at fair value. Any gain or loss arising in arriving at fair value is recognised immediately in the profit and loss account.

(iii) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Accounting for derivative financial instruments & hedging activities

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk. Further details of derivative instruments are disclosed in Note 26.

Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at their fair value at each balance sheet date. The fair value of interest rate swaps is calculated as the present value of their estimated future cash flows.

The fair value of forward foreign exchange contracts is determined using forward foreign exchange market rates at the balance sheet date. The fair value of currency options is determined using market rates at the balance sheet date. The carrying values of trade receivables and payables approximate to their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it may be impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated discounted future cash flows. All impairment losses on financial assets measured at amortised cost are recognised in the income statement.

An impairment loss is only reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill has an indefinite life and the recoverable amount is estimated at each reporting date.

The Group's approach to impairment testing in relation to goodwill and intangible assets is discussed in the Goodwill section above.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to, or recovered from, the taxation authorities. Taxable profit or loss differs from that reported in the income statement because it excludes items of income or expense that are taxable or deductible in later years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences at the balance sheet date between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that a taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax liabilities and assets are measured on an undiscounted basis at the tax rates that are expected to apply when the liability is settled or the asset is realised, based on tax rates and tax laws enacted or substantively enacted at the balance sheet date.

Current and deferred income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise, income tax is recognised in the income statement.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Figures presented in NOK'000	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Owned office property (Note 12)	31/12/2018	3,215	-	3,215	-
Financial assets	31/12/2020	169	-	169	-
Liabilities measured at fair value:					
Liabilities for which fair values are disclosed (Note 22)					
Interest-bearing loans and borrowings	31/12/2020	100,882	-	100,882	-
There were no transfers between Level 1 and Level 2 during 2020.					

Fair values of those classes of assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods:

(i) Property, plant & equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on management's knowledge of prices offered and accepted for comparable items.

(ii) Intangible assets

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use of those assets.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on historic cost adjusted to fair value, if applicable. However, where its estimated selling price in the ordinary course of business less the estimated costs of completion and sale is lower than cost, that lower value is adopted.

(iv) Trade & other receivables

The fair value of trade and other receivables is estimated as the present value of their expected future cash flows, discounted where appropriate.

(v) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

Interest rate swaps (Note 17) are valued using significant observable inputs (Level 2).

(vi) Borrowings

Borrowings are initially recorded at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any issue costs.

Net financing costs comprise interest payable on borrowings, interest receivable on cash and cash equivalents and amortisation of debt finance costs that are recognised in the income statement.

Interest income and expense is recognised in the income statement as it accrues, using the effective interest method.

Cash & cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and any other short-term highly liquid investments, less bank overdrafts.

Trade & other receivables

Financial Instruments (see below), trade and other receivables are recognised initially at fair value and subsequently at amortised cost less any provision for expected credit losses.

The Group has applied the simplified approach to measuring the expected credit loss which uses a lifetime expected loss allowance. To measure the expected credit loss, trade receivables have been grouped together based on the number of days they are overdue.

Trade & other payables

Trade and other payables are recognised initially at fair value and subsequently at amortised cost.

Contract assets

The contract assets relate to unbilled work in progress and have a low risk profile as the Group has the right to bill the customer for work completed to date.

Contract assets are recognised when the Group has satisfied the performance obligations in a sales contract and have either not recognised a receivable to reflect its unconditional right to the consideration or, the consideration is not yet due as the revenue is not recognised due to it relating to future periods. To measure the expected credit losses, trade receivables and contract assets have been grouped based on the shared credit risk characteristics and the days past due.

Contract liabilities

Contract liabilities are recognised when a customer pays consideration or when the Group recognises a receivable to reflect its unconditional right to consideration {whichever is earlier), prior to the Group transferring the goods to, or performing the services for, that customer. The liability represents the Group's responsibility to fulfil the contractual performance obligations for which it has already been paid.

Cost to obtain a contract

The Group pays sales commission to its employees for each contract that they obtain for bundled sales of services. The Group applies the option to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of employee benefits.

Note 4 Financial risk management

The Group's international operations and debt financing expose it to a variety of financial risks. The Group has in place risk management policies that seek to limit the adverse effects of these risks on the financial performance of the Group. The Board of Directors has overall responsibility for the establishment and oversight of the Group's financial risk management framework.

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising on sales, purchases and borrowings that are denominated in currencies other than the functional currencies of individual Group entities (which are principally Norwegian Kroner, Sterling, US Dollars, Euros and Singapore Dollars). As the Group's presentation currency is NOK, it is also subject to foreign exchange translation risk in respect of the results and underlying net assets of foreign operations. The Group mitigates its foreign currency risk to a large extent by operating a natural hedge against its major foreign currency risk which is Sterling. The impact on earnings of a weakening Sterling is mitigated by a reduction in the NOK value of borrowings denominated in Sterling, and vice versa.

Details of significant balances in foreign currencies and the exchange rates used to translate them into Norwegian Kroner are shown in Note 26.

There were no changes in the Group's approach to foreign exchange risk during the year.

(ii) Interest rate risk

The Group has interest rate risk arising from its long-term borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk.

The Group has no significant interest-bearing assets other than cash and cash equivalents of a working capital nature. Therefore, the Group's income and operating cash flows arising from such assets are substantially independent of changes in market interest rates.

The Group monitors its exposure to interest rate risk as part of its overall financial risk management. The Board of Directors regularly considers its policy in relation to interest rate hedging and takes action where appropriate to manage its cash flow interest rate risks (see Note 26).

There were no changes in the Group's approach to cash flow and fair value interest rate risk during the year.

(iii) Credit risk

Financial instruments that potentially subject the Group to credit risk consist primarily of cash and cash equivalents and accounts receivable. Cash and cash equivalents, primarily comprising of current account balances, are maintained with major financial institutions in each of the territories in which the Group operates. Cash balances held by non-Norwegian operating companies in excess of those required for short-term funding needs are regularly remitted to Norwegian bank accounts.

Sales are made on credit and result in short-term credit exposure on trade receivables. The Group's customers are principally major companies in energy and maritime sectors that have many years' transaction history with the Group. Credit risk from the ordinary course of trade activities is managed by the Group's subsidiaries on a customer and/or project basis.

The Group establishes an allowance for impairment that represents its estimated lifetime expected credit loss in respect of trade and other receivables. This includes allowances for specific loss elements that relate to individually significant exposures. The ageing of receivables is shown in Note 26.

There were no changes in the Group's approach to credit risk during the year.

(iv) Liquidity risk

The Group maintains a blend of long-term and short-term committed facilities that are designed to ensure that it has sufficient available funds for operations and planned expansion and to meet its financial obligations as they fall due. At 31 December 2020 the Group had access to variable rate borrowings in the form of a NOK 114m committed credit facility, of which NOK 69m and £4m takes the form of term loans. The Group is able to draw down on the revolving facility as needed. Interest rates are determined by reference to NIBOR or LIBOR in line with the loan currency.

There were no changes in the Group's approach to liquidity risk during the year.

(v) Capital risk management

The objectives when managing capital (equity and bank borrowings) are to safeguard the Group's ability to continue as a going concern and:

- provide returns for shareholders;
- provide benefits for other stakeholders; and
- maintain an optimal capital structure to minimise the cost of capital.

The Group monitors its bank borrowings and conducts regular reviews of actual and projected performance against a suite of bank covenants.

There were no changes to the Group's approach to capital management in the year.

(vi) Acquisitions & disposals of subsidiaries

There were no such transactions in either 2020 or 2019.

Note 5 Revenue & segment information

The Group has three divisions, which represent its reportable segments. The Group's executive management reviews the internal management reports of each division, focussing particularly on revenues and gross margin. As at 31 December 2020 and 2019, the Group's reportable segments consisted of the following:

eLearning

Mintra has a modern eLearning course portfolio across safety critical industries. Our proprietary tool, Trainingportal, delivers both own courses and 3rd party courses to our customer base. This is a recurring business line from mandatory and repeat courses.

HCM software

Mintra is a leading provider of on-demand digital learning and enterprise HCM software for safety-critical industries worldwide. We develop and deploy solutions that enable our customers to develop and deploy their people, readily demonstrate compliance and maximise operational efficiency.

Our customers represent a complex environment for managing HR. Mintra's HCM suite, consisting of the OCS HR systems and Trainingportal, helps to control and automate complex HR tasks, allowing operations to run more smoothly, and enabling the HR department to serve more ships and employees.

The combined product suite offers several tools, helping the HR department to perform tasks that are essential for running an organisation that focuses on operational tasks. OCS HR is the main system that is used for planning and administering employees within an organisation. An employee Self Service system is available through a web interface, and an on-board solution called Crew on Board is available to help the management of the individual vessel take care of their administrative tasks. The training and familiarisation programmes can be automated by using Trainingportal.

Consultancy & other

The Group provides consultancy services to complement its e-learning and HCM offerings. This includes developing eLearning for our customer base and consultancy services to our HCM customers, including provision of payroll services.

Set out below is the disaggregation of the Group's revenue from contracts with customers across reportable segments:

Figures presented in MNOK

Segments	2020	2019
Revenue - Type of goods or service		
eLearning	77,730	92,805
Software	83,310	68,400
Consultancy & Other*	44,282	70,800
Total revenue from contracts with customers	**205,322**	**232,005**
Gross profit - Type of goods or service		
eLearning	66,561	73,387
Software	81,414	67,716
Consultancy & Other*	36,900	53.,852
Gross profit from contracts with customers	**184,875**	**194,955**
Gross margin of goods or service		
eLearning	86%	79%
Software	98%	99%
Consultancy & Other*	83%	76%
Gross margin from contracts with customers	**90%**	**84%**
Geographical markets**		
Norway	116,163	125,505
United Kingdom	48,565	63,300
Rest of Europe	16,706	15,200
United States	6,102	7,000
Rest of the world	17,786	21,000
Total revenue from contracts with customers	**205,322**	**232,005**

* Includes revenue from Training Management Services and classroom training sales.
** The Group's revenue from external customers by geographical location is determined by where the Group's customers operate and consume the Mintra's services.

Performance obligations

The Group develops and sells software and eLearning. The major part of the Group's revenues relates to sales of eLearning, subscription revenue and Consultancy and other revenue.

IFRS 15 replaced IAS 18 Revenue and IAS 11 Construction Contracts and all related interpretations (IFRIC and SIC). Revenue shall be recognised when the customer assumes control over the sold goods or services, a principle that supersedes the former principle that revenue is recognised when the risks and rewards have passed to the buyer. The basic principle of IFRS 15 is that the Group recognises revenue in the manner that best reflects the transfer of control of the product and service sold to the customer. Revenue recognition is reported in the Group based on a five-step model applied to all customer contracts:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue as the performance obligations are fulfilled.

Based on the above five-step model, the Group's customer contracts may include various performance obligations identified as License Revenue, Subscription Revenue (Software as a Service), Support Agreements and Service Revenue. Revenue is recognised once control over the sold service or product is deemed to have been transferred to the customer for each type of revenue/performance obligation. Revenue is the fair value of what has been or will be received for goods and services sold in the Group's current operations. Revenues are recognised excluding VAT, returns and discounts, and after elimination of sales between Group companies.

Below are the accounting principles applied by the Group for these performance obligations.

IFRS 15 transitional implications

The Group has analysed and evaluated IFRS 15 as a regulatory framework. The implementation of IFRS 15 has not led to any transitional implications for the Group. During the transition to IFRS 15, the Group has used the following practical expedients permitted under appendix C5, when applying the Standard retrospectively in these first-time IFRS-adopted financial statements:

- Where a contract which commenced and ended in the same annual reporting period, no restatement was made;
- In the consultancy segment, where a contract had a variable consideration, the Group chose to use the transaction price at the date the contract was completed, rather than estimating the variable consideration amounts in the comparative reporting periods; and
- For all reporting periods presented before the date of initial application, the Group has elected not to disclose the amount of the transaction price allocated to the remaining performance obligations.

It is the Group's conclusion that electing to adopt the practical expedients in IFRS 15, appendix C5 had had no impact on disclosed revenues, trade and other receivables or contract balances in any of the periods presented in these financial statements.

Revenue from contracts with customers and other income

Group revenue represents the fair value of the consideration received or receivable for the rendering of services and sale of software licencing, net of value added tax and other similar sales-based taxes, rebates and discounts after eliminating intercompany sales. The nature of the Group's sales means there are no refunds or returns, and no warranties are offered.

The following summarises the review of each of the three business segments:

eLearning

40% of the Group's revenue is derived from eLearning. There are several platforms for generating eLearning revenues as follows:

- Marketplace - Marketplace was launched in Norway in 2010 with local training providers joining to share their courses on Trainingportal, in conjunction with Mintra's own eLearning library. Revenue is recognised at the point at which the course can no longer be cancelled.
- Sale of credits – Customers may purchase a bundle of credits to use on any eLearning course in Mintra's library. Each eLearning course is priced at a certain number of credits, which reflects the duration and content of the course and its accreditation status. Sales of credits are accounted for as deferred income, and recognised in the statement of comprehensive income, at the point credits are used to access an eLearning course.

- Prepaid bundles – Customers may purchase eLearning bundles with a fixed period of validity. Sales of such bundles are accounted for as deferred income, and recognised in the statement of comprehensive income, at the point eLearning courses are consumed.
- Portfolio eLearning sales – Customers may purchase a multi-year unrestricted access to eLearning. In such contracts, revenue is recognised on an equal instalment method over the duration of the contract.

HCM software

Revenue from subscriptions such as SaaS, “right to access” licences, hosting and support and maintenance is recognised evenly over the contractual period of the licence as the customer simultaneously receives and consumes the benefits of the Group’s services.

Perpetual licences and on-premise software licences where all material obligations of the Group to the customer have been met on the delivery of the licence are recognised at the point in time when the software has been delivered to the customer as these meet the definition of “right to use” licences.

Consultancy & other

(i) Expert services (consultant revenue)

Revenue within the Group’s Consultancy revenue line comprises of eLearning content build, consulting, platform development and the provision of training which are provided under fixed-price and time and materials contracts. Fixed-price contracts are recognised on the percentage of completion method unless the outcome of the contract cannot be reliably determined, in which case contract revenue is only recognised to the extent of contract costs incurred that are recoverable. This is because either the Group is creating an asset with no alternative use to it and the contract contains the right to payment for work completed to date, or the customer is simultaneously receiving and consuming the benefits of the Group’s services as it performs. Foreseeable losses, if any, are provided for in full as and when it can be reasonably ascertained that the contract will result in a loss. The stage of completion is determined based on the proportion of contract costs incurred compared to total estimated contract costs.

The cost-based method is used to determine the percentage of completion because, as management has significant expertise in this approach, they are able to assess the stage of completion and margin of a project on an accurate and consistent basis. Business development costs incurred as part of our bid or tender process are expensed as incurred. For fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, an amount recoverable on contracts asset is recognised. Conversely, if the payments exceed the services rendered, a liability is recognised. If the contract is time- and materials-based and includes an hourly fee, revenue is recognised over time in the amount to which the Group has the right to invoice.

Contract work in progress is stated at costs incurred, less those amounts transferred to profit or loss, after deducting foreseeable losses and payments on account not matched with revenue.

Amounts recoverable on contracts are included in current assets and represent revenue recognised in excess of payments on account.

(ii) Support agreements

Some contracts include multiple deliverables, such as consultancy services with the delivery of a licence or subscription. However, the consultancy services do not significantly customise the software and the promises in the contract are not highly interdependent, so these are recognised as separate performance obligations. Contracts may also include an on-premise software licence with support and maintenance services. The customer can benefit from both services on their own or with other readily-available resources and the software is functional upon transfer of the licence key, so these are recognised as separate performance obligations. Where multiple deliverables are concluded not to be distinct, they are combined with another deliverable until the distinct performance obligation definition is met.

Where a contract includes multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices where available. Where these are not directly observable, they are estimated based on expected cost plus margin.

Incremental contract costs are unlikely to be material and are expensed as incurred, reflecting a consistent basis with the pattern of transfer of the service to which the cost relates.

Volume rebates

eLearning is often sold to corporate customers as 'bundles' where the customer has the ability to be flexible with the numbers of and range of eLearning courses it can access over a pre-defined period of time. The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

Significant financing component

The Group receives advance payments from customers for the sale of both eLearning products and HCM revenues, as well as payments on account for consultancy services. The services provided in exchange for such advance payments are provided over a period of less than twelve months after signing the contract and receipt of payment.

All such contracts are deemed short term in nature and therefore any financing component is considered negligible. The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Note 6 Administrative expenses

Figures presented in NOK'000	**2020**	**2019**
Staff Costs	87,777	108,069
Depreciation & Amortisation	19,791	19,962
Other	27,334	43,230
Total	**134,902**	**171,261**

Note 7 Expenses and auditors' remuneration

Figures presented in NOK'000	2020	2019
Profit / loss before taxation is stated after charging:		
Depreciation and other amounts written off owned tangible fixed assets	339	891
Amortisation of intangibles	14,452	13,897
Depreciation of Right of use assets	5,000	4,904
Hire of office and other equipment - rentals payable under operating leases	124	124
Total	**19,915**	**19,816**

Auditors' remuneration:	**2020**	**2019**
Group Statutory Audit - current year	369	2,142
Group Statutory Audit - prior year	507	-
Corporate finance services	-	78
All other services	778	-
Total	**1,654**	**2,220**

Note 8 Board of directors' remuneration

Figures presented in NOK'000	2020	2019
Directors' emoluments	-	1,675
Total	**-**	**1,675**

No directors were included in the retirement benefits payments (2019: nil).
The aggregate of emoluments (fees and expenses reimbursed) of the highest paid director was NOK Nil (2019 – NOK 528,126). No pension contributions were made on his behalf.

Note 9 Personnel expenses & employee numbers

Figures presented in NOK'000	2020	2019
Wages and salaries*	76,931	98,714
Social security costs	9,678	13,223
Contributions to defined contribution plans	4,971	5,279
Total	**91,580**	**117,216**

*includes NOK 3,803k (2019: NOK 9,147k) of capitalised development expenditure.

The average number of employees during each year was as follows:	2020	2019
Management	5	5
Administration and support staff	49	40
Developers and operational staff	56	91
Total	**110**	**136**

Note 10 Finance income & expense

Figures presented in NOK'000	2020	2019
Recognised in profit or loss		
Interest income on bank deposits	49	-
Foreign exchange gains	3,357	660
Other interest receivable	416	97
Finance Income	**3,822**	**757**
Interest on shareholders' guarantee	4,477	8,138
Guarantee fee payable to shareholder for Bank of Montreal Loan	7,475	10,078
Interest payable to Bank of Montreal	6,978	7,838
Bank term loan and overdraft interest payable	5,244	7,019
Finance lease interest payable	1,444	1,764
Foreign exchange losses	16,822	12,029
Amortisation of finance raising costs	833	-
Other interest payable	239	-
Finance expense	**43,512**	**46,866**
Net finance expense recognised in profit to loss	**-39,690**	**-46,109**

During the year the Group restructured its secured bank borrowings which resulted in interest rate and capital repayment profile changes detailed in Note 26. The directors considered both the quantitative and qualitative aspects of the amendment to the existing facility and concluded that the resulting changes in the underlying debt categories, ancillary facilities and key covenant definitions constituted a substantial modification to the financing arrangements.

In accordance with IFRS 9, Financial Instruments: Recognition and Measurement, the original facility was extinguished and replaced by the recognition of a new financial liability. There was no material unamortised finance raising costs relating to the existing 2015 agreement remaining, and therefore no impact to the income statement in 2020.

Note 11 Income tax

The Norwegian corporation tax rate was maintained at 22% for 2020.

The UK element of the deferred tax balance at 31 December 2020 has been calculated based on the rate substantively enacted in the Finance Act 2016 at the balance sheet date, which is 19%.

Figures presented in NOK'000	2020	2019
Current income tax:		
Current income tax charge	1,156	-
Adjustments in respect of prior periods	-221	-
Withholding tax expense	101	43
	1,036	**43**
Deferred tax:		
Relating to origination and reversal of temporary differences	3,101	-3,192
Adjustments for prior periods	-223	-
Income tax expense reported in the statement of profit or loss	**2,878**	**-3,192**
Total income tax expense	**3,914**	**-3,149**

Income tax on the consolidated income before taxes, differs from the theoretical tax expense that would arise when applying a weighted average tax rate on the income from the consolidated companies according to the following:

Figures presented in NOK'000	2020	2019
Profit/(Loss) for the year	6,369	-19,265
Total income tax expense	3,914	-3,149
Profit/(Loss) excluding income tax	**10,283**	**-22,414**

Figures presented in NOK'000	2020	2019
Income tax calculated based on national tax rates applicable on income in Norway at 22%	2,262	-4,931
Tax effect of:		
- Non-taxable income and expenses	-456	-4,966
- Unrelieved interest expense carried forward	-	6,240
- Tax losses carried forward	5,864	3,815
- Utilisation of tax losses in current year	-6,332	-158
- Correction of previous year's taxation	-221	-
- Tax rate change in United Kingdom	-182	-
- Withholding tax suffered	101	43
Current income tax expense	**1,036**	**43**
Movement in deferred tax in year	2,879	-3,183
Total income tax expense	**3,914**	**-3,140**

Note 12 Property, plant & equipment

Figures presented in NOK'000	Right of Use Assets	Fixtures and fittings, tools, office machinery	Buildings	Total
Cost or valuation				
At 1 January 2019	24,344	9,119	5,199	38,662
Additions	-	570	-	570
Disposals	-	5,894	-	5,894
Exchange differences	-	570	-	570
At 31 December 2019	**24,344**	**4,202**	**5,199**	**33,745**
Additions	264	783	-	1,047
Disposals	-	919	-	919
Exchange differences	-	2	15	17
At 31 December 2020	**24,608**	**4,068**	**5,214**	**33,890**
Depreciation and impairment				
At 1 January 2019	-	7,742	1,784	9,526
Depreciation charge for the year	4,904	891	-	5,795
Disposals	-	-5,592	-	-5,592
Exchange differences	-	-	129	129
At 31 December 2019	**4,904**	**3,040**	**1,914**	**9,858**
Depreciation charge for the year	5,000	284	55	5,339
Disposals	-	-919	-	-919
Exchange differences	486	502	31	1,019
At 31 December 2020	**10,390**	**2,907**	**2,000**	**15,297**
Net book value				
At 31 December 2018	24,344	1,377	3,415	29,137
At 31 December 2019	19,440	1,162	3,285	23,887
At 31 December 2020	14,218	1,161	3,214	18,593

Depreciation rates are explained under 'Tangible fixed assets' heading in Note 3.3 – Significant accounting polices

The Group performed an impairment review of its asset values at both the current and prior year-ends. In all cases, fair value is considered at least equal to carrying value, therefore no impairment is required as at 31 December 2020 or 2019.

Note 13 Intangible assets

Figures presented in NOK'000	Development Costs	Assets Under Construction	Goodwill	Total
Cost				
At 1 January 2019	74,622	-	639,010	713,632
Exchange differences	1,308	-	-	1,308
Additions in year	13,765	-	-	13,765
At 31 December 2019	**89,695**	-	**639,010**	**728,705**
Exchange differences	-33	-	-	-33
Additions – internally developed	10,025	2,366	-	12,391
Disposals	-	-	-	-
At 31 December 2020	**99,687**	**2,366**	**639,010**	**741,063**
Amortisation and impairment				
At 1 January 2019	44,794	-	36,436	81,230
Amortisation expense	13,897	-	-	13,897
Exchange differences	1,684	-	-	1,684
Impairment	-	-	-	-
At 31 December 2019	**60,375**	-	**36,436**	**96,811**
Amortisation expense	14,452	-	-	14,452
Exchange differences	29	-	-	29
Disposal in year	-	-	-	-
At 31 December 2020	**74,856**	-	**36,436**	**111,292**
Net book value				
At 31 December 2020	24,831	2,366	602,574	629,771
At 31 December 2019	29,320	-	602,574	631,894
At 1 January 2019	29,828	-	602,574	632,402

Amortisation rates are explained under 'Intangible fixed assets' heading in Note 3.3 – Significant accounting policies.

Development costs

Intangible assets are capitalised development costs for online courses, as well as portal development expenses and expenses related to competence management.

Expected overall earnings on ongoing R&D projects are expected to exceed the expenses incurred.

Goodwill

Goodwill is related to the acquisition of Mintra Traningportal AS (where OCS HR AS was merged with the effect from 1 January 2017) with subsidiaries.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined from value in use. The key assumptions for the value in use calculations are those regarding the discount rates (being the companies cost of capital), growth rates (based on Board approved forecasts for 2021 and estimated growth rates in years 2 to 5) and future EBIT margins (which are based on past experience and medium-term expectations). The Group monitors its pre-tax Weighted Average Cost of Capital and those of its competitors using market data.

The impairment reviews use a discount rate adjusted for post-tax cash flows. The Group prepares cash flow forecasts derived from the 2021 financial plan approved by the Board and extrapolates revenues, net margins and cash flows for the following four years based on forecast growth rates of its CGUs. Cash flows beyond this five-year period are also considered in assessing the need for any impairment provisions. The growth rates are based on internal growth forecasts is 5% for the first five years. The terminal rate used for the value in use calculation thereafter is 0%.

Given the uncertainty surrounding the impact of Covid-19 on the Group's operations and on the global economy, management has considered a range of sensitivities on each of the key assumptions, with other variables held constant. The sensitivities which were each assessed in isolation include; applying a 10% reduction in the revenue assumption in the next financial year from the base cash flow projections, representing a slower recovery from the impact of Covid-19; increases in the discount rate by 1% and reductions in the long-term growth rates to 0%. Under these severe scenarios, the estimated recoverable amount of goodwill and acquired intangibles still exceeded the carrying value of all CGUs. The sensitivity analysis showed that no reasonably possible change in assumptions would lead to an impairment.

Amortisation & impairment charge

Amortisation of intangible assets is included within administrative expenses in the income statement. The management has assessed the value of goodwill and other intangible assets held on the balance sheet and have concluded that there has been no impairment of intangible assets (2019: nil).

Impairment testing for cash-generating units (CGUs) containing goodwill

Goodwill is allocated to operating units for the purpose of impairment testing and this represents the lowest level within the Group at which goodwill is monitored for internal management purposes. Goodwill arising on business combinations is not amortised but is reviewed for impairment on an annual basis or more frequently if there are indications that goodwill may be impaired.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Figures presented in NOK'000	2020	2019
The aggregate carrying amounts of goodwill allocated to each unit are as follows:		
Atlas Knowledge Limited	183,445	183,445
OCS HR AS	84,428	84,428
Mintra Ltd	67,759	67,759
Mintra Trainingportal AS	266,942	266,942
Total goodwill	**602,574**	**602,574**

Whilst current market conditions do not support the average growth rates presented below in the very short term, it is anticipated that over the medium- to longer-term these rates are appropriate, reflecting the expected recovery in our core customer markets, and the anticipated growth of eLearning and demand for HCM products over the period covered by the projections.

The pre-tax discount rate applied to the cash flow projections has been derived by estimating the Group's tax-adjusted weighted average cost of capital. The rate adopted is broadly consistent with that of other market participants taken together.

Impairment reviews were performed at 31 December 2020 and 31 December 2019 by comparing the carrying value of goodwill and other intangible and tangible fixed assets with the estimated recoverable amount of each CGU. As part of the impairment reviews a sensitivity analysis was performed. On the basis of this review the directors concluded that is no further impairment to goodwill as at either 31 December 2020 or 31 December 2019.

The directors note that though the 8.1% pre-tax discount rate used is appropriate, an increase of 1% to 9.1% would not have resulted in any impairment loss on intangibles being recognised in the year.

	2020	**2019**
Period on which management approved forecasts are based	1 Year	1 Year
Average growth rate applied for years two to five - Mintra TP AS	5.00%	5.00%
Growth rate applied to terminal value calculation	0.00%	0.00%
Pre-tax discount rate	8.10%	8.10%

The cumulative impairment provisions within intangible assets are as follows:

	2020	**2019**
Cumulative impairment		
Atlas	-	-
OCS	-	-
Mintra UK	10,892	10,892
Mintra Norway	25,544	25,544
Total impairment	**36,436**	**36,436**

Note 14 Profit for the financial year

The profit for the year from operations was NOK 3,796k 2019: loss of NOK (19,266k). The Q4 2020 Interim Report reported profit of NOK 10,625k was adjusted for certain costs associated with the Listing process of NOK 2,573k and current and deferred tax provisioning of NOK 4,256k.

The loss for the year in the accounts of the Parent company was NOK (29,228k) 2019: (NOK 26,471k). The balance sheet of the Parent company can be found on page 118.

Note 15 Dividends

No dividend payment was made for 2020 (2019: nil).

Note 16 Deferred tax assets

Deferred tax assets and tax liabilities are offset when there is a legal right to offset current tax assets and tax liabilities, and when deferred taxes relate to one and the same tax authority. The Group is not reporting any offset tax assets and liabilities.

The deferred tax balances relate to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profits will allow the deferred tax assets to be recovered.

The Group has recognised NOK5.2m (2019: NOK9.1m) of deferred tax assets relating to carried forward tax losses. These losses have been recognised as it is probable that future taxable profits will allow these deferred tax assets to be recovered. The Group has performed a continuing evaluation of its deferred tax asset valuation allowance on an annual basis to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets.

Unrecognised deferred tax assets, relating primarily to carry forward unused interest expense deductions arising in Norway, total NOK13.7 million (2019: NOK7.2m), and have not been recognised due to uncertainty over the timing and extent of future taxable profits. The unused interest expense deductions may be carried forward for a period of up to ten years.

The reported deferred tax is attributable to:

Deferred tax asset	**2020**	**2019**
Trading losses	4,920	9,615
Other temporary differences	235	-482
Total	**5,155**	**9,133**

Deferred tax liability	**2020**	**2019**
Right of use assets	3,127	4,276
Other temporary differences	272	200
Total	**3,399**	**4,476**

Note 17 Derivative financial instruments

On 31 July 2020, the Group entered into a three-year fixed rate swap with a notional principal value of NOK 21,284,000, effective 6 August 2020. Floating rates are linked to 6 months NIBOR. The swap caps NIBOR at 0.75%. Gains and losses on the interest rate swap have been accounted for through the income statement. The total charges and costs were NOK 158,150.

On 7 September 2020, the Group entered into a three-year fixed rate swap with a notional principal value of GBP 1,182,000 effective 9 September 2020. Floating rates are linked to 6 months GBP LIBOR. The swap caps LIBOR at 0.25%. Gains and losses on the interest rate swap have been accounted for through the income statement. The total charges and costs were NOK 122,867 (GBP 10,550).

Note 18 Trade & other receivables

Figures presented in NOK'000	2020	2019
Trade receivables	82,816	86,205
- Provision for bad debt	-703	-953
Other receivables	13,526	20,947
	95,639	**106,199**

The Group's exposure to credit and currency risks and allowances for expected losses related to trade and other receivables are disclosed in Note 26.

Note 19 Contract balances & unsatisfied performance obligations

(i) Contract balances

Figures presented in NOK'000	2020	2019
Contract assets included in Trade and other receivables (Note 18)	5,082	6,204
Contract liabilities	6,632	5,032

In some contracts in the 'Consultancy & Other' segment, the Group receives payments from customers based on explicit billing schedules. Contract assets primarily relate to the Group's conditional right to consideration for completed performance obligations under those contracts. These include hours worked but not invoiced. These are transferred to receivables once this right has become unconditional (typically on invoicing). Contract liabilities relate to payments received in advance of performing obligations under a contract and exist primarily in contracts where significant costs are expected to be incurred prior to the fulfilment of a performance obligation where revenue is to be recognised at a later point in time. These include payments on account where the service is invoiced ahead of obligations being satisfied. These sales are held as liabilities on the balance sheet and recognised as revenue in line with performance obligations being satisfied.

The changes in contract assets and contract liabilities during the year were as follows:

(ii) Contract assets

Figures presented in NOK'000	2020	2019
Balance at 1 January	6,204	14,719
Brought forward balance transferred to trade receivables	-6,204	-14,719
Conditional right to consideration at the year-end (accrued income)	5,693	7,221
Movement in impairments on contract assets charged to the income statement	-605	-987
Exchange movements	-6	-30
Balance at 31 December 2020	**5,082**	**6,204**

(iii) Contract liabilities

Figures presented in NOK'000	2020	2019
Balance at 1 January	5,032	13,227
Revenue recognised on amounts included in the balance at the beginning of the year	-5,032	-13,227
Payments received/ invoices raised in advance of recognising revenue at the year-end	6,089	4,105
Exchange movements	543	927
Balance at 31 December 2020	**6,632**	**5,032**

Note 20 Share capital

	Ordinary	Deferred B shares	Deferred A shares	Total	Face value (NOK)	Book value (NOK)
Share capital as at 31 December 2018	403,081,812	95,699	-	403,177,511	0.01	4,031,775
	-	-	1,000	1,000	0.01	10
Share capital as at 31 December 2019	403,081,812	95,699	1,000	403,178,511	0.01	4,031,785
Conversion to Deferred A Shares	1,000	-	-1,000	-	-	-
Conversion to Deferred B Shares	95,699	-95,699	-	-	-	-
	403,178,511	-	-	403,178,511	-	4,031,775
One for three reverse split	-268,785,674	-	-	-268,785,674	-	-
	134,392,837	-	-	134,392,837	0.03	4,031,785
Shares issued in IPO	51,540,000	-	-	51,540,000	0.03	1,546,200
Share Capital as at 31 December 2020	**185,932,837**	-	-	**185,932,837**		**5,577,985**

The total number of issued shares is 185,932,837 Ordinary shares of 0.03 NOK each. Ordinary shares carry equal voting rights.

All issued shares are fully paid. Mintra does not own any of its own shares.

Note 21 Capital & reserves

Share premium

Share premium represents the excess of the proceeds received from the issue of shares over the nominal value of those shares.

Retained earnings

Retained earnings comprise cumulative undistributed earnings of the Group.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Note 22 Loans & borrowings

This note provides information relating to the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. Further information relating to the Group's exposure to interest rate, foreign currency and liquidity risk is contained in Note 26.

Figures presented in NOK'000	01 January 2020	Cash flows	Issuance of debt	Non-cash movements	Foreign exchange	Debt issue cost amortisation/ accrual change	Rolled up interest accrued	31 December 2020
Non current liabilities								
Nordea Bank Norway ASA	113,901	-114,954	115,400	-9,815	-335	-3,315	-	100,882
Current liabilities								
Overdraft - Nordea Bank Norway ASA	29,089	-29,089	-	-	-	-	-	-
Loans - Nordea Bank Norway ASA	-	-	-	9,815	-	-	-	9,815
Loan - Bank of Montreal	215,901	-233,571	-	-	11,705	-	5,965	-
	244,990	-262,660	-	9,815	11,705	-	5,965	9,815
Total loans and borrowings	**358,891**	**-377,614**	**115,400**	**-**	**11,370**	**-3,315**	**5,965**	**110,697**

Figures presented in NOK'000	01 January 2019	Cash flows	Issuance of debt	Non-cash movements	Foreign exchange	Non-cash movements: Debt issue cost amortisation/ accrual change	Repayment profile	31 December 2019
Non current liabilities								
Nordea Bank Norway ASA	131,730	-	-	-	1,457	-	-19,286	113,901
Current liabilities								
Overdraft - Nordea Bank Norway ASA	21,004	8,085	-	-	-	-	-	29,089
Loan - Bank of Montreal	177,677	20,999	-	-	9,385	7,840	-	215,901
	198,681	29,084	-	-	9,385	7,840	-	244,990
Total loans and borrowings	**330,411**	**29,084**	**-**	**-**	**10,842**	**7,840**	**-19,286**	**358,891**

Terms and debt repayment schedule
The principal terms relating to outstanding borrowings are as follows:

	Currency	Nominal interest rate	Year of maturity	Face value 2020	Carrying amount 2020	Face value 2019	Carrying amount 2019
Bank of Montreal - Loan	GBP	LIBOR + Margin	2020	-	-	215,901	215,901
Revolving credit Facility (Facility NOK 34m)	NOK	NIBOR + Margin*	2023	-	-	29,089	29,089
Nordea Bank Term A Facility	NOK	NIBOR + Margin*	2023	42,568	41,330	21,370	21,370
Nordea Bank Term B Facility	NOK	NIBOR + Margin*	2023	26,665	25,889	63,000	63,000
Nordea Bank Term C Facility	GBP	LIBOR + Margin*	2023	27,532	26,731	2,417	2,417
Nordea Bank Term D Facility	GBP	LIBOR + Margin*	2023	17,248	16,747	27,114	27,114
*** Margin ranges from 2.25% to 3.75%**				**114,013**	**110,697**	**358,891**	**358,891**

Facility	Note	Termination
Nordea Bank Term A Facility		28/02/2020
Nordea Bank Term B Facility	72 months from agreement date 10/07/2019	10/07/2025
Nordea Bank Term C Facility		28/02/2020
Nordea Bank Term D Facility	72 months from agreement date 10/07/2019	10/07/2025

On 30 June 2020 the Company entered into an agreement with Nordea Bank who will provide a revolving credit facility for the purpose of financing working capital requirements.

Nordea Bank confirmed on 25 September 2020 that the mandatory repayment date of the loans would be extended to the 31 December 2020, as agreed in the event of a change in ownership.

On 21 December 2020, an amendment agreement to the Senior Facilities Agreement cancelled the temporary overdraft facility and further amended the definition of "Change of Control" so that the principal shareholder maintains a minimum ownership of one third of the voting rights of the parent. In addition, the paragraph relating to "Mandatory prepayment – Change of Control" was deleted from the

Facilities Agreement. In all other material respects, the Facilities Agreement remained largely unchanged.

The carrying amount of each loan is the face value less its unamortised debt issue costs.

Margin is in the range of 2.50% to 3.75% depending on the Group's financial performance in terms of its leverage covenant.

Nordea Bank Norway ASA hold a security in relation to all loans and overdraft facilities to the Group.

All internal balances due to Mintra Holding AS from its subsidiaries in the group are pledged as security for the loans From Nordea Bank Norway ASA. In addition, the shares in the subsidiary, Mintra AS (formerly Mintra Trainingportal AS) are also pledged as a security up to an amount of NOK 200 million.

In the group there is a guarantee of NOK 180 million pledged. RCAF E-learning Holding AS, Mintra AS and Mintra Ltd (formerly Mintra Trainingportal Limited) are the guarantors.

Other guarantees and securities

Included in 'Cash and short-term deposits' are certain restricted funds as follows:

i) NOK 1,866,478 (2019 - NOK 2,964,176) held in a Skattetrekk (Payroll tax deductions) account.

ii) In the prior year, Mintra Ltd had a cash pledge of NOK 521 712 (GBP 45 000) to cover company credit cards but was released from the pledge during 2020.

Further, during the prior year and also from 1 January 2020 to 5 October 2020, certain shareholders provided a Shareholder guarantee for an amount of NOK 45,000,000.

Adherence to banking covenants

The Group is bound by certain banking covenants as part of condition of its facility with Nordea Bank Norway ASA, which are summarised under the Going concern heading in Note 2 – Basis of preparation of financial statements.

The Group was compliant with such covenants throughout the reporting period.

Note 23 Rent & lease agreements

Nature of leasing activities (in the capacity as lessee).

The Group leases a number of properties in the jurisdictions from which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. In some jurisdictions, property leases the periodic rent is fixed over the lease term.

The Group leases certain land, offices and equipment under various lease agreements with lessors. Effective 1 January 2019, the Group adopted IFRS 16, Leases under the retrospective approach and accordingly, the comparative information for 2018 and 2019 has been restated. The Group applied the practical expedient and exemption provisions of IFRS 16 for contracts entered into prior to 1 January 2019 and contracts entered or amended after 1 January 2019. Accordingly, with respect to existing leases at 31 December 2018 (the transition date), the Group established a right-of-use asset and lease liability for existing material leases as of the effective date, elect- ed not to apply recognition and measurement requirements to short-term leases and leases with insignificant remaining minimum contractual commitments, and the opening 2019 accumulated deficit balance was not impacted upon the adoption of IFRS 16. Further, the Group opted not to separate non-lease components from lease components. The Group's leases do not contain variable lease payment terms.

At 31 December 2020	**Lease Contracts Number**	**Fixed payments**	**Variable payments**	**Sensitivity NOK'000**
Property leases with payments linked to inflation	4	100%	0%	-
Property leases with periodic uplifts to market rentals	1	100%	0%	-
	5	**100%**	**0%**	**-**

At 31 December 2019	**Lease Contracts Number**	**Fixed payments**	**Variable payments**	**Sensitivity NOK'000**
Property leases with payments linked to inflation	4	100%	0%	-
Property leases with periodic uplifts to market rentals	1	100%	0%	-
	5	**0%**	**0%**	**-**

Right-of-Use assets

Figures presented in NOK'000	**Land and buildings**
At 1 January 2020	19,440
Additions	-265
Amortisation	-5,000
Variable lease payment adjustment	-
Foreign exchange movements	487
At 31 December 2020	**14,218**
At 1 January 2019	24,344
Additions	-
Amortisation	-4,904
Variable lease payment adjustment	-
Foreign exchange movements	-
At 31 December 2019	**19,440**

Lease liabilities

Figures presented in NOK'000	**Land and buildings**
At 1 January 2020	23,251
Additions	-
Interest expense	1,444
Effect of modification to lease terms	-
Variable lease payment adjustment	-
Lease payments	-6,246
Foreign exchange movements	-
At 31 December 2020	**18,449**
At 1 January 2019	27,932
Additions	-
Interest expense	1,835
Variable lease payment adjustment	-
Lease payments	-6,516
Foreign exchange movements	-
At 31 December 2019	**23,251**

Future minimum lease payments

Future minimum lease payments relating to land and buildings represent future payments in respect of the Right-of-use assets in Note 12.

Future minimum lease payments in respect of Equipment relate to leases with insignificant remaining minimum contractual commitments and are expensed to the statement of comprehensive income on a straight-line basis.

At 31 December 2020 and 2019, the future minimum lease payments under non-cancellable leases consisted of the following:

Figures presented in NOK'000	**Land & buildings**	**Equipment**	**Total**
At 31 December 2020			
Less than one year	6,446	204	6,650
Between one and five years	9,694	71	9,765
More than five years	46,694	-	46,694
Total future minimum lease payments	**62,834**	**275**	**63,109**
At 31 December 2019			
Less than one year	6,925	212	7,137
Between one and five years	14,394	275	14,669
More than five years	47,008	-	47,008
Total future minimum lease payments	**68,327**	**487**	**68,814**

The Group sometimes negotiates break clauses in its property leases. On a case-by-case basis, the Group will consider whether the absence of a break clause would expose The Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- The length of the lease term;
- The economic stability of the environment in which the property is located; and
- Whether the location represents a new area of operations for the Group.

At both 31 December 2020 and 2019 the carrying amounts of lease liabilities are not reduced by the amount of payments that would be avoided from exercising break clauses because on both dates it was considered reasonably certain that the Group would not exercise its right to exercise any right to break the lease.

Note 24 Employee benefits

Defined contribution schemes

A defined contribution scheme is a pension plan under which the Group pays fixed contributions into a separate entity. The schemes' assets are held separately from those of the Group in independently administered funds.

The Group has no legal or constructive obligations to pay further amounts if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Contributions to these plans amounted to NOK 4,971,000 (2019: 5,279,000).

Note 25 Trade & other payables

Figures presented in NOK'000	**2020**	**2019**	**2018**
Trade payables	6,606	14,346	10,979
Payroll Taxes & Public duties Payable	19,836	22,378	22,389
Tax payable	1,156	199	-187
Deferred income	81,967	70,060	62,157
Other current financial liabilities	5,107	5,059	4,681
Contract liabilities	6,632	5,032	13,227
Other	16,932	52,055	44,870
	138,236	**169,129**	**158,116**

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 26.

The maturity of trade and other payables is as follows:

Figures presented in NOK'000	6 months or less	6-12 months	1-2 years	2-5 years	Total
Trade and other payables at 31 December 2020					
Trade payables	6,606	-	-	-	6,606
Payroll Taxes	19,836	-	-	-	19,836
Tax payable	1,156	-	-	-	1,156
Deferred income	42,339	35,000	3,369	1,259	81,967
Other current financial liabilities	5,107	-	-	-	5,107
Contract liabilities	6,632	-	-	-	6,632
Other	16,932	-	-	-	16,932
	98,608	**35,000**	**3,369**	**1,259**	**138,236**

Figures presented in NOK'000	6 months or less	6-12 months	1-2 years	2-5 years	Total
Trade and other payables at 31 December 2019					
Trade payables	14,346	-	-	-	14,346
Payroll Taxes	22,378	-	-	-	22,378
Tax payable	199	-	-	-	199
Deferred income	39,690	29,533	837	-	70,060
Other current financial liabilities	5,059	-	-	-	5,059
Contract liabilities	3,180	1,319	534	-	5,032
Other	22,755	29,299	-	-	52,055
	107,607	**60,151**	**1,371**	**-**	**169,129**

Note 26 Financial instruments

The Group's activities give rise to a variety of financial risks: market risk (including currency risk and cash flow. interest rate risk), credit risk and liquidity risk. The Group's approach to financial risk management is described in Note 4.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Figures presented in NOK'000	Carrying amount	
	2020	**2019**
Trade receivables	82,113	85,252
Contract assets	5,082	6,204
Cash and cash equivalents	229,591	19,009
	316,786	**110,465**

The carrying amounts of the Group's net trade receivables, after provisions for losses, were denominated in the following principal currencies:

	2020 '000	2019 '000	2020 NOK'000	2019 NOK'000
CAD	-	1	-	16
EUR	297	234	3,105	2,311
GBP	530	1,319	6,176	15,290
NOK	66,983	62,358	66,983	62,358
USD	754	710	6,433	6,230
SGD	18	-	116	-
AED	-	-	-	-
			82,813	**86,205**

The carrying amounts of the Group's net trade payable, were denominated in the following principal currencies:

	2020 '000	2019 '000	2020 NOK'000	2019 NOK'000
CAD	-	-	-	-
EUR	79	52	830	515
GBP	124	3,384	1,439	5,331
NOK	4,006	8,053	4,006	8,055
USD	30	471	252	427
SGD	-	3	-	18
AED	34	-	79	-
			6,606	**14,346**

Allowance for expected credit losses

The expected credit loss rates are assessed at each year end and adjusted to reflect the expected future market conditions in which the Group operates.

The Group contracts with customers under different credit terms. The ageing of trade receivables and allowances for expected credit losses at the reporting date was:

	Expected credit losses		**Gross**		**Allowance for expected credit losses**	**Allowance for expected credit losses**
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
	%	**%**	**NOK'000**	**NOK'000**	**NOK'000**	**NOK'000**
Current	0%	0%	19,233	-	-	-
0-30 days	0%	0%	61,042	72,477	-	-
31-60 days	1%	1%	1,197	7,596	12	76
61-90 days	8%	8%	450	3,716	36	279
91 days+	73%	25%	894	2,416	655	598
			82,816	**86,205**	**703**	**953**
					82,113	**85,252**

The directors are of the opinion that, despite the impact of Covid-19, overall market conditions are broadly similar to those of 2019, with increased demand for our eLearning and HCM products across key industry verticals and geographies, resulting in the easing of cash flow pressures and reducing the risk of trade receivables becoming irrecoverable. This improvement has been reflected by the reduction of the expected credit loss percentage rates this year-end in terms of the 91-120 days and over 121 days periods. No single customer accounts for more than 5% of Group revenue, with the top ten customers by revenue account for approximately 26% of total revenue.

The movement in the allowance for expected credit losses in respect of trade receivables during the year was as follows:

Figures presented in NOK'000	2020	2019
Balance at 1 January	953	1,655
Expected credit loss allowance utilised and/or reversed)/charged	-250	-702
Balance at 31 December	**703**	**953**

The expected credit loss allowance at 31 December 2020 and 2019 is all considered general in nature, with no sum allocated to cover amounts on contracts known to have specific recoverability risk amounts.

Liquidity risk

The Group's policy on liquidity risk management is discussed in Note 4.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

Figures presented in NOK'000 **2020**	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Secured bank loans - Nordea	110,697	114,013	9,815	-	14,301	89,897
Trade and other payables	138,235	138,235	98,607	35,000	3,369	1,259
	248,932	**252,248**	**108,422**	**35,000**	**17,670**	**91,156**

Figures presented in NOK'000 **2019**	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Secured bank loans - Nordea	113,901	113,901	-	23,787	-	90,114
Secured bank loans - Bank of Montreal	215,901	215,901	-	215,901	-	-
Revolving credit facility	29,089	29,089	29,089	-	-	-
Trade and other payables	169,129	169,129	107,607	60,151	1,371	-
	528,020	**528,020**	**136,696**	**299,839**	**1,371**	**90,114**

Exposure to currency risk

The Group's exposure to currency risk is as follows:

	CAD	EUR	GBP	NOK	USD	SGD	AED
31 December 2020							
Trade receivables	-	297	530	64,983	754	-	-
Cash and cash equivalents	-	-	1,419	212,102	99	15	2
Secured bank loans - Nordea	-	-	-3,845	-69,233	-	-	-
Secured bank loans - Bank of Montreal	-	-	-	-	-	-	-
Revolving credit facility	-	-	-	-	-	-	-
Trade payables	-	-79	-124	-4,006	-30	-	-
Gross balance sheet financial instrument exposure	**-**	**218**	**-2,020**	**203,846**	**823**	**15**	**2**

	CAD	EUR	GBP	NOK	USD	SGD	AED
31 December 2019							
Trade receivables	1	234	1,319	62,358	710	-	-
Cash and cash equivalents	-	-	1,361	-25,854	-	-	-
Secured bank loans - Nordea	-	-	-2,547	-84,370	-	-	-
Secured bank loans - Bank of Montreal	-	-	-18,622	-	-	-	-
Accrued PIK and guarantee interest on Bank of Montreal loan	-	-	-2,527	-	-	-	-
Revolving credit facility	-	-	-	-29,089	-	-	-
Trade payables	-	-52	-460	-8,055	-49	-3	-
Gross balance sheet financial instrument exposure	**1**	**182**	**-21,476**	**-85,010**	**661**	**-3**	**-**

The following significant exchange rates applied during the year:

	2020	2019
EUR	10.47030	9.86380
GBP	11.64620	11.59360
USD	8.53260	8.78030
SGD	6.45600	6.52760
AED	2.32500	2.39250

Sensitivity analysis

A 5 percent strengthening of NOK against the following currencies at 31 December would have increased/(decreased) equity and profit after tax by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2019.

Impact in NOK 000s	Balance sheet (Equity)	Income statement (Profit after tax)
31 December 2020	**2020**	**2020**
CAD	-	-
EUR	-114	-114
GBP	1,176	1,176
USD	-352	-352
SGD	-5	-5
AED	-	-
Increase in equity and retained profit	**705**	**705**

Impact in NOK 000s 31 December 2019	Balance sheet (Equity) 2019	Income statement (Profit after tax) 2019
CAD	-	-
EUR	-90	-90
GBP	14,145	14,145
USD	-105	-105
SGD	1	1
AED	-	-
Increase in equity and retained profit	**13,951**	**13,951**

A 5% weakening of NOK against the listed currencies would have had and equal but opposite effect on the currencies to the amounts shown, on the basis that all other variables remained constant.

Interest rate risk

Figures presented in NOK'000	2020	2019
Variable rate instruments		
Financial liabilities at 31 December	**110,697**	**358,891**

During 2020 the Group entered into a hedging arrangement until 2023 in which a proportion of its NOK and GBP borrowings would be protected against LIBOR and NIBOR increasing above a certain level. They are fixed rate swaps which cap NIBOR at 0.75% and LIBOR at 0.25%. The fair value of this instrument at 31 December 2020 is deemed to be £ nil.

	Amount hedged	Value outstanding at 31 December 2020	Percentage
Loans denominated in GBP	£1,182,000	£3,845,000	31%
Loans denominated in NOK	NOK 21,284,000	NOK 69,233,000	31%

Cash flow sensitivity analysis for variable rate instruments

An increase of 50 basis points in interest rates during the reporting period and at the reporting date would have decreased equity and profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. Tax effects have been ignored. The analysis is performed on the same basis for 2019.

Impact in NOK'000	Balance sheet (Equity)	Income statement (Profit before tax)
At 31 December 2020		
Effect of 50 basis points increase Variable rate instruments	-553	-553
Cash flow sensitivity	**-553**	**-553**
At 31 December 2019		
Variable rate instruments	-1,794	-1,794
Cash flow sensitivity	**-1,794**	**-1,794**

A decrease of 100 basis points in interest rates during the reporting period and at the reporting date would have had an equal but opposite effect on the above amounts shown above, on the basis that all other variables remained constant.

Fair values

The Group carries its financial asset and financial liabilities at each reporting date at amortised cost, using the effective interest method.

The effective interest method calculates the amortised cost of a financial asset or a financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the carrying amount of the financial asset or financial liability. The effective interest rate is determined on the basis of the carrying amount of the financial asset or liability at initial recognition. Under the effective interest method:

i) the amortised cost of a financial asset (liability) is the present value of future cash receipts (payments) discounted at the effective interest rate; and

ii) the interest expense (income) in a period equals the carrying amount of the financial liability (asset) at the beginning of a period multiplied by the effective interest rate for the period.

The fair values of financial assets and liabilities, together with the carrying amounts shown on the balance sheet, are as follows:

Figures presented in NOK'000	2020		2019	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Trade and other receivables	82,113	82,113	86,205	86,205
Contract assets	5,082	5,082	6,204	6,204
Cash and cash equivalents	229,591	229,591	19,009	19,009
Secured bank loans	-110,697	-110,697	-358,891	-358,891
Trade and other payables	-138,235	-138,235	-169,129	-169,129
	64,714	**64,714**	**-416,602**	**-416,602**

Note 27 Operating lease commitments

Total amounts payable in relation to non-cancellable operating lease arrangements, being leases with a term less than 12 months or of low value are, for the unexpired periods of such leases as follows:

Figures presented in NOK'000	Other	
	2020	**2019**
Unexpired period of the lease		
Less than 1 year	204	212
Between one and five years	71	275
More than five years	-	-
	275	**486**

Note 28 Capital commitments

As at 31 December 2020, the Group has no capital commitments. (2019: nil).

Note 29 Contingent assets & liabilities

As at 31 December 2020, the Group has no contingent liabilities (2019: nil).

One of the Group's subsidiaries, Mintra AS (Norway), has a contingent receivable (asset) related to SkatteFUNN.

SkatteFUNN is a government program which encourages Norwegian businesses to invest in research and development activities and allows such companies to claim refunds for parts of their research and development related costs from the tax authorities. This is recognised as a short-term receivable and at 31 December 2020 amounted to of NOK 1.2 million (2019 – NOK 1.9 million) and is included within 'Other receivables'. The final settled amount is pending upon approval by the tax authorities, however the Group has a history of such activities and has pre-approved projects, thus the Group recognises such a contingent asset.

Note 30 Parent & ultimate controlling party

As presented in the Shareholders section above, prior to the Financial Statements on page 49 RCAF E-Learning Sarl holds 38.52% of the issued Ordinary share capital (2019: 84.39%). RCAF E-Learning Sarl is ultimately owned by RCAF VI GP, LLC (A US entity) which is jointly controlled by B Szigethy and S Kohl.

Note 31 Transactions with related parties

The Riverside Company acted as guarantor to the loan from Bank of Montreal, and guarantee interest rolled up and payable as at 31 December 2019 amounted to NOK 11,916,812, of which NOK 10,439,499 is included in interest expense in the statement of profit and loss for the year ended 31 December 2019. The amount expensed in the current year statement of profit and loss amounted to NOK 7,474,751.

The loan from Bank of Montreal was settled in full in October 2020, and the rolled-up guarantee interest accruing at that date, amounting to £1,768,229 (being NOK 21,624,423) was paid in full, and a foreign exchange loss on re-translation of GBP to NOK of NOK 2,232,860 was recognised on extinguishing of the loan.

Further, Riverside Capital Appreciation Fund VI (and VI-A) LP and other shareholders (namely Bakken Berg Invest AS, Peter Conner, David Reilly, Jamne AS, Kyrre Øygarden and Scott Kerr) provided a guarantee to Nordea totalling NOK45m.

These shareholders were released from the guarantee on 29 June 2020, at which point interest accruing on the shareholders' guarantee ceased. The amount expensed relating to shareholders' guarantee interest in 2020 amounted to NOK 4,476,863.

In October 2020, the Group paid the accrued shareholders' guarantee interest in full, totalling NOK 21,859,329.

As at 31 December 2019, the amount payable and included in other short-term liabilities amounted to NOK 17,382,466, of which NOK 8,136,844 is included in interest expense in the statement of profit and loss for the year ended 31 December 2019.

In addition, during both 2020 and 2019, the Group transacted with the Riverside Company at arms-length. The Group sold eLearning to Riverside Company and incurred fees from it. The respective amounts are as follows:

Figures presented in NOK'000	**2020**	**2019**
Related Party revenues to the Riverside Company	152	78
Related Party purchases from the Riverside Company	689	693

Key management personnel compensation

Key management comprises members of the executive management team. In addition to their salaries, the Group also provides non-cash benefits and contributes to post-employment contribution plans on their behalf.

Key management personnel compensation comprised:

Figures presented in NOK'000	**2020**	**2019**
Company pension contributions	356	344
Life insurance	40	29
(*of which outstanding at the year-end.*)	*69*	*43*

The non-executive members of the Board of Directors, who do not represent the largest shareholder, waived their right to receive remuneration in 2020 in response to the anticipated impact Covid could have on the Group's performance. The Riverside Company, also being the largest shareholder, has provided certain services at an arm's length basis during 2020, as presented in the table above.

The general manager (also referred to as the CEO), is not a member of the Board of Directors and his remuneration was as follows:

Figures presented in NOK'000	**2020**	**2019**
Salary	1,650	1,632
Bonus	400	-
Pension contributions by company	101	97
Other benefits	13	10
	2,164	**1,739**

Note 32 Earnings per share

Basic Earnings per share, (EPS) is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the EPS calculation:

	2020	2019
Basic EPS		
Profit/(Loss) attributable to ordinary shareholders	1,289,782	-19,265,704
Opening shares 1 January	403,081,814	403,081,814
Placement of 51,540,000 ordinary shares 5th October 2020	12,284,877	-
Share conversion	96,699	-
Reverse split	-268,785,674	-268,721,121
Weighted average number of shares outstanding during the period	**146,678,716**	**134,360,693**
Earnings per share	**0.01**	**-0.14**

Note 33 Transition to IFRS

The Group statement of financial position as at 1 January 2019 - measurement effect of IFRS on Norwegian GAAP balances.

The Group's effective transition date to IFRS is 1 January 2019. This has been determined in accordance with IFRS, 1 "First Time Adoption of International Financial Reporting Standards", being the start of the earliest period of comparative information.

To explain the change to IFRS, a reconciliation has been provided of the equity at 1 January 2019 and at 31 December 2019 and the net income for the year ended 31 December 2019 from the previously consolidated financial statements, prepared in accordance with NGAAP to the accompanying consolidated financial statements prepared in accordance with IFRS. An explanation of the principal adjustments required by the Group on conversion to IFRS is set out below.

None of the IFRS adjustments relate to cash and therefore there is no impact on cash flows other than presentational.". IAS 7 "Cash Flow Statements" changes the definition of cash used in the cash flow statement to cash and cash equivalents.

The NGAAP figures have been restated to take account of presentational changes required by IFRS adoption, where for instance items are required to be shown on the face of the primary statements rather than in the notes and where existing items are now split between current and non-current or shown in different categories (for example intangible assets).

Effects of transition to IFRS

IFRS 16: Leases

Effective 1 January 2019, the Group adopted IFRS 16, Leases under the retrospective method. Under the new standard, all leasing agreements with a duration exceeding 12 months are capitalised as financial leases. The Group assesses whether a legally enforceable contract is or contains a lease at the inception date of the contract. The assessment includes several criteria to be determined based on judgment that includes whether there is an identifiable asset in connection to the lease, whether the Group has the right to control the use of the identifiable asset, and whether the Group can obtain substantially all economic benefits from the identifiable asset.

The Group recognises a ROU asset and a lease liability at the lease commencement date. The lease liability is calculated based on the present value of the contractual minimum lease payments using the rate implicit in the lease. Where this is not readily determinable, a proxy is used, as explained in Note 3.3 under the heading 'Leasing' on page 69.

IFRS 3 – Business combinations

The Group chose to apply IFRS 3 Business Combinations to its acquisitions of subsidiaries that occurred before 1 January 2019. This meant that certain costs associated with the acquisition, such as transaction costs, previously capitalised under NGAAP, are now expensed through the Statement of comprehensive income under IFRS 3.

IAS 36: Impairment of assets

IFRS 1 also requires that the Norwegian GAAP carrying amount of goodwill must be used in the opening IFRS statement of financial position (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with IFRS 1, the Group has tested goodwill for impairment at the date of transition to IFRS. There was no impairment recognised on goodwill at 1 January 2019.

Deemed cost

Assets carried at cost (e.g. property, plant and equipment) may be measured at their fair value at the date of transition to IFRS. Fair value becomes the 'deemed cost' going forward under the IFRS cost model. Deemed cost is an amount used as a surrogate for cost or depreciated cost at the date of transition.

Prior to the date of its first IFRS statement of financial position, the Group revalued its owned building under its previous GAAP to its fair value This previous GAAP revalued amount at the date of the revaluation becomes the deemed cost of the asset under IFRS.

Group statement of financial position as at 1 January 2019 - measurement effect of IFRS on NGAAP balances

Figures presented in NOK'000	Note	Local GAAP	Reclassification & Remeasurements	IFRS as at 1 January 2019
Assets				
Non-current assets				
Property, plant and equipment		4,793	-	4,793
Intangible assets	(i)	496,682	135,720	632,402
Right-of-use assets	(iii)	-	24,344	24,344
Deferred tax assets	(ii)	7,021	-	7,021
		508,496	160,064	668,560
Current assets				
Trade and other receivables	(iv)	41,573	26,165	67,738
Other receivables	(v)	15,803	-	15,803
Prepayments		1,317	-	1,317
Contract assets	(vi)	-	14,719	14,719
Cash and short-term deposits		14,957	-	14,957
		73,650	40,884	114,534
Total assets		**582,146**	**200,948**	**783,094**
Equity and liabilities				
Equity				
Issued capital		4,032	-	4,032
Share premium		356,374	-	356,374
Retained earnings	(vii)	-242,421	147,786	-94,635
Equity attributable to equity holders of the parent		**117,985**	**147,786**	**265,771**
Total equity		**117,985**	**147,786**	**265,771**
Non-current liabilities				
Interest-bearing loans and borrowings		131,730		131,730
Finance lease liabilities	(viii)	-	23,251	23,251
Deferred tax liabilities	(ix)	21,200	-15,654	5,546
		152,930	7,597	160,527
Current liabilities				
Trade and other payables	(x)	112,737	-34,500	78,237
Deferred revenue	(xii)	-	62,157	62,157
Finance lease liabilities	(xiii)	-	4,681	4,681
Interest-bearing loans and borrowings		198,681	-	198,681
Income tax payable		-187	-	-187
Contract liabilities	(xiv)	-	13,227	13,227
		311,231	**45,565**	**356,796**
Total liabilities		**464,161**	**53,162**	**517,323**
Total equity and liabilities		**582,146**	**200,948**	**783,094**

Group statement of financial position as at 31 December 2019 - measurement effect of IFRS on NGAAP balances

Figures presented in NOK'000	Note	Local GAAP	Reclassification & Remeasurements	IFRS as at 31 December 2019
Assets				
Non-current assets				
Property, plant and equipment		4,448	-	4,448
Intangible assets	(i)	400,938	230,957	631,895
Right-of-use assets	(iii)	-	19,440	19,440
Non-current financial assets		105	-	105
Deferred tax asset	(ii)	0	9,133	9,133
		405,491	259,530	665,021
Current assets				
Trade and other receivables	(iv)	39,182	46,070	85,252
Other receivables	(v)	21,064	-117	20,947
Contract assets	(vi)	-	6,204	6,204
Cash and short-term deposits		19,009	-	19,009
		79,255	52,157	131,412
Total assets		**484,746**	**311,687**	**796,434**
Equity and liabilities				
Equity				
Issued capital		4,032	-	4,032
Share premium		356,474	-	356,474
Retained earnings	(vii)	-361,535	246,774	-114,761
Equity attributable to equity holders of the parent		**-1,029**	**246,774**	**245,745**
Total equity		**-1,029**	**246,774**	**245,745**
Non-current liabilities				
Interest-bearing loans and borrowings		113,901	-	113,901
Finance lease liabilities	(viii)	-	18,192	18,192
Deferred tax liabilities	(ix)	14,971	-10,494	4,477
		128,872	7,698	136,570
Current liabilities				
Trade payables	(x)	63,782	-49,436	14,346
Other short term payables	(xi)	25,554	26,501	52,055
Tax and public duties payable		22,378	-	22,378
Deferred revenue	(xii)	-	70,060	70,060
Finance lease liabilities	(xiii)	-	5,059	5,059
Interest-bearing loans and borrowings		244,990	-	244,990
Income tax payable		199	-	199
Contract liabilities	(xiv)	-	5,032	5,032
		356,903	57,216	414,119
Total liabilities		**485,775**	**64,913**	**550,689**
Total equity and liabilities		**484,746**	**311,687**	**796,434**

Group statement of financial position - Notes to measurement effect of IFRS on NGAAP balances

Figures presented in NOK'000		As at 1 January 2019	As at 31 December 2019	Cumulative at 31 December 2019
Note				
Non-current assets				
Intangible assets				
(i)	Derecognition of amortised goodwill	135,720	95,237	230,957
(ii)	Recognition of deferred tax asset on tax losses	-	9,133	9,133
Right of use assets				
(iii)	Reclassification of leases as a right of use asset	24,344	-4,904	19,440
Total Non-current Assets		**160,064**	**99,466**	**259,530**
Current Assets				
(iv)	Reclassification of trade and other receivables	26,165	19,905	46,070
(v)	Reclassification of other receivables	-	-117	-117
(vi)	Recognition of contract assets	14,719	-8,515	6,204
Current Assets		**40,884**	**11,273**	**52,157**
Total Assets		**200,948**	**110,739**	**311,687**
Retained earnings				
(vii)	Derecognition of amortised goodwill	-135,720	-95,236	-230,956
(vii)	Reclassification of leases as a right of use asset	3,588	223	3,811
(ix)	Deferred tax asset adjustment	-15,654	-3,975	-19,629
Total equity		**-147,786**	**-98,988**	**-246,774**
Non-current liabilities				
(vii)	Reclassification of leases - as lease liability	-23,251	5,059	-18,192
(xi)	Deferred tax liability adjustment	15,654	-5,159	10,495
Total Non-current liabilities		**-7,597**	**-100**	**-7,697**
Current liabilities				
(x)	Reclassification of trade and other payables	34,500	14,936	49,436
(xi)	Reclassification of other short term payables	-	-26,501	-26,501
(xii)	Deferred revenue	-62,157	-7,903	-70,060
(xiii)	Reclassification of leases - as lease liability	-4,681	-378	-5,059
(xiv)	Contract liabilities	-13,227	8,195	-5,032
Current liabilities		**-45,565**	**-11,651**	**-57,216**
Total equity and liabilities		**-200,948**	**-110,739**	**-311,687**

Group income statement for the year ended 31 December 2019 - measurement effect of IFRS on NGAAP

Figures presented in NOK'000	Note	NGAAP balances in IFRS format	Effect of transition to IFRS	As reported under IFRS
Turnover		231,497	-	231,497
Other operating income		508	-	508
Group Revenue		232,005	-	232,005
Cost of Sales		37,050	-	37,050
Gross profit		194,955	-	194,955
Administrative expenses	(xv)	157,108	-5,538	151,570
Depreciation & Amortisation	(xvi)	110,024	-90,333	19,691
Group operating profit/ loss		-72,177	95,871	23,694
Finance income		757	-	757
Finance expense	(xvii)	45,102	1,764	46,866
Net finances income/(expense)		-44,345	-1,764	-46,109
Profit/(loss) before tax		-116,522	94,107	-22,415
Taxation		826	-3,975	-3,149
Profit/(loss) after tax		**-117,348**	**98,082**	**-19,266**

Explanation of the effect of transition to IFRS on net income

Figures presented in NOK'000	As at 31 December 2019
Note	
Administration expenses	
(xv) Reclassification of rent costs to right of use asset.	-5,538
Depreciation & Amortisation	
(xvi) Depreciation of right of use asset.	4,904
(xvi) Derecognition of amortised goodwill.	-95,237
	-95,871
Finance expense	
(xvii) Reclassification of operating lease costs to financing costs of right of use asset.	1,764
Net impact on income	**94,107**

Statement of comprehensive income

There are no differences between the amounts previously presented under NGAAP in the Statement of Recognised Gains and Losses and their equivalents under IFRS presented in the Statement of Recognised Income and Expense.

Reconciliation of cash flows under Norwegian GAAP to IFRS

The cash flow statements for the year ended 31 December 2019 as presented in these financial statements have been subject to presentational adjustment following the transition to IFRS. There is no impact on the net increase/(decrease) in cash equivalents for each year as reported under IFRS compared with that originally reported under NGAAP.

Mintra Holding AS financial statements prepared under Norwegian GAAP

Income statement for year ended 31 December 2020

Figures presented in NOK'000	Note	2020	2019
Revenue			
Other operating income		2,457	-
Total revenue		**2,457**	**-**
Operating expenses		**6,250**	**4,102**
Operating result		-3,793	-4,102
Financial income and expenses			
Interest income from group companies		5,147	8,853
Other financial income		154	429
Other financial expenses		30,736	31,651
Net financial items		-25,435	-22,369
Loss before tax		-29,228	-26,471
Tax expense		-	-
Net profit or loss for the year		**-29,228**	**-26,471**

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Balance sheet as at 31 December 2020

Figures presented in NOK'000	Note	2020	2019
Assets			
Non-current assets			
Investments in subsidiaries	34	505,374	505,374
Loans to group companies	35	69,097	63,435
		574,471	568,809
Current assets			
Other receivables		801	-
Cash and short-term deposits		196,404	5,371
		197,205	5,371
Total assets		**771,676**	**574,180**
Equity and liabilities			
Equity			
Issued capital	38	5,578	4,032
Share premium	39	826,219	356,474
Retained earnings	40	-62,960	-33,732
Equity attributable to equity holders of the parent		**768,837**	**326,774**
Total equity		**768,837**	**326,774**
Current liabilities			
Trade and other payables	37	2,839	247,406
Total liabilities		**2,839**	**247,406**
Total equity and liabilities		**771,676**	**574,180**

Statement of changes in equity for year ended 31 December 2020

Figures presented in NOK'000	Share capital	Share premium	Retained earnings	Total
Balance at 1 January 2019	4,032	356,374	1,985	362,391
PYA	-	-	-9,246	-9,246
Equity corrected 1 January 2019	**4,032**	**356,374**	**-7,261**	**353,145**
2019 Profit/(Loss) for the year	-	-	-26,471	-26,471
Shares purchased	-	100	-	100
Total income and expense recognised directly in equity	**-**	**-**	**-**	**-**
Balance at 31 December 2019	4,032	356,474	-33,732	326,774
2020 Profit/(Loss) for the year	**-**	**-**	**-26,655**	**-26,655**
Income and expense recognised directly in equity				
IPO	1,546	498,392	-	499,938
Costs associated with IPO	-	-28,647	-	-31,218
Total income and expense recognised directly in equity	**1,546**	**469,745**	**-26,655**	**442,065**
Balance at 31 December 2020	**5,578**	**826,219**	**-60,387**	**768,839**

Cash flow statement for year ended 31 December 2020

Figures presented in NOK'000	Note	2020	2019
Cash flow from operating activities			
Net loss		-29,228	-26,471
Adjustments to reconcile net loss to net cash used in operating activities			
Changes in operating assets and liabilities		27,064	
Changes in inventories, trade receivables and trade payables		-170	956
Changes in other current balance sheet items		-	15,932
Net cash used in operating activities		**-2,334**	**-9,583**
Cash flow from investing activities			
Proceeds from short term and long-term receivables		-	-26,326
Net cash used in investing activities		**-**	**-26,326**
Cash flow from financing activities			
Payments towards borrowings		-218,113	-
Proceeds from issuance of short-term debt		389	38,224
Proceeds from issuance of capital		469,745	100
Interest paid		-58,767	-
Net cash provided by financing activities		**193,254**	**38,324**
Net increase in cash		190,920	2,415
Cash at beginning of year		5,371	2,956
Effects of exchange rate on cash		113	-
Cash at end of year		**196,404**	**5,371**

Financial statements board approval

martin scott (Apr 28, 2021 18:06 GMT+1)

Martin Scott
Chairman

Scott I. Kerr
Scott I. Kerr (Apr 28, 2021 16:07 PDT)

Scott Kerr
CEO

Jeroen Lenssen (Apr 29, 2021 10:13 GMT+2)

Jeroen Lenssen
Director

Anne Schiettecatte
Director

Johannes Jamne
Johannes Jamne (Apr 29, 2021 17:06 GMT+2)

Johannes Jamne
Director

BWCrain
BWCrain (Apr 29, 2021 08:12 PDT)

Brad Crain
Director

Ketil Toska
Director (employee representative)

Tom Ormberg
Tom Ormberg (Apr 29, 2021 17:39 GMT+2)

Tom Ormberg
Director (employee representative)

Note 34 Significant accounting policies

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles. The following apply to the financial statements of the Parent company only.

Sales revenue

Sales revenues are recognised at the time of delivery. Revenue from services are recognised at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred sales revenue and are recognised at the time of execution.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognised at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non-incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognised at nominal value.

Trade & other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Foreign currency translation

Transactions in foreign currencies are translated using the rate on the transaction date. Exchange differences are booked to financial income/expense in the current period. The functional currency as well as presentation currency is Norwegian krone.

Assets and liabilities for the balance sheet are translated at the closing rate at the date of that balance sheet. Income and expenses for each statement of profit or loss are translated at average exchange rates. Share capital and share premium, for each balance sheet presented are translated at the closing rate at the date of that balance sheet. Resulting exchange differences are recognised directly in equity.

Short term investments

Short term investments (stocks and shares are valued as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognised as other investment income.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilised.

To what extent group contribution is not registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date. Actual results can differ from these estimates.

Contingent losses that are probable and quantifiable is expensed as occurred.

Investment in subsidiaries & group information

Company	Location	Share owners	Voting rights	Net loss 2020	Equity 31 December 2020	Book value 31 December 2020
Mintra Midco AS	Storgata 1, Oslo	100%	100%	-5,285,564	333,697,541	505,374

In the prior year, NOK71,400,000 of intercompany loan due from Mintra Midco AS was converted to equity.

In the prior year, the assets of Atlas Knowledge Limited were merged into Mintra Ltd, a 100% subsidiary of Mintra Midco AS.

Investment in group undertakings is stated at cost. A list of subsidiary undertakings, along with their country of incorporation or registration, principal activities and proportion of shareholding is shown below:

Figures presented in NOK'000	2020	2019
Shares in group undertakings		
At 1 January	505,374	433,975
Additions in year	-	71,399
Disposals	-	-
Amounts written off investments	-	-
At 31 December	**505,374**	**505,374**

Figures presented in NOK'000	2020	2019
Investment amounts in each entity		
Mintra Midco AS	361,514	361,514
Atlas Knowledge Limited	143,860	143,860
	505,374	**505,374**

*Dormant entities

Name	Country of incorporation	% equity interest 2020	2019	2018
Mintra Holding AS	Norway	100%	100%	100%
Mintra AS formerly Mintra Trainingportal AS	Norway	100%	100%	100%
Mintra Trainingportal AS formerly Mintra AS*	Norway	100%	100%	100%
Mintra Midco AS	Norway	100%	100%	100%
Mintra Ltd formerly Mintra Training Portal Limited	United Kingdom	100%	100%	100%
Atlas Knowledge Limited*	United Kingdom	100%	100%	100%
Mintra Asia Pacific Pte. Ltd formally Onsoft Computer Systems Asia Pacific Pte Ltd	Singapore	100%	100%	100%
Mintra Training Portal Limited*	United Kingdom	100%	100%	100%

Entity with significant influence over the Group

Riverside Group owns 38.52% of the ordinary shares Mintra Holding AS (2019: 79%, 1 January 2018: 79%).

* Dormant entities

Note 35 Loans to group companies

Figures presented in NOK'000	2020	2019	2020	2019
Balances due from group companies			**Total**	**Total**
Loan to Mintra Trainingportal AS	16,805	15,020	16,805	15,020
Loan to Mintra Midco AS	34,771	32,180	34,771	32,180
Loan to Mintra Training Portal Ltd	17,521	16,235	17,521	16,235
	69,097	**63,435**	**69,097**	**63,435**

Interest is charged on loans to group companies at arms-length rates. There are no set repayment terms, but the balances are considered long term in nature.

Note 36 Trade & other receivables

Figures presented in NOK'000	2020	2019
Prepayments	498	-
Public duties receivable	303	-
	801	**-**

Note 37 Trade & other payables

Figures presented in NOK'000	2020	2019
Liabilities to financial institutions	-	215,901
Trade payables	1,023	956
Other short-term liabilities	1,816	30,549
	2,839	**247,406**

Riverside Capital Appreciation Fund (RCAF) VI is guarantor for the loan from Bank of Montreal. The loan was repaid in full in October 2020, and the Company was released from the RCAF VI guarantee.

Note 38 Share capital

Figures presented in NOK'000	2020	2019
403,082,814 Ordinary shares of NOK 0.01 each	4,032	4,032
Placement of ordinary shares	1,546	-
conversion of A deferred shares	-	-
conversion of B deferred shares	-	-
95,699 Deferred B shares of NOK 0.01 each	-	-
Total	**5,578**	**4,032**

Note 39 Share premium

Figures presented in NOK'000	2020	2019	2018
Share premium account	356,474	356,474	356,374
Premium on placement of ordinary shares	498,392	-	-
Less: costs associated with Initial Public Offering (IPO)	-28,647	-	-
	826,219	**356,474**	**356,374**

Share premium represents the excess of the proceeds received from the issue of shares over the nominal value of those shares. Costs associated with the issue of shares are netted against the share premium account.

Note 40 Retained earnings

Figures presented in NOK'000	
Balance at 1 January 2019	1,985
Prior year adjustment	-9,246
Balance as restated at 1 January 2019	-7,261
Net loss for the year	-26,471
Balance at 31 December 2019	**-33,732**
Net loss for the year	-29,228
Balance at 31 December 2020	**-62,960**

Note 41 Reconciliation of movements in company shareholders' funds

Figures presented in NOK'000	Share capital	Share premium	Retained earnings	Total
Balance at 1 January 2019	4,032	356,374	-7,261	353,145
Loss for the year	-	-	-26,471	-26,471
Shares purchased	-	100	-	100
Balance at 31 December 2019	**4,032**	**356,474**	**-33,732**	**326,774**
Share issue from IPO	1,546	-	-	1,546
Share premium on share issue	-	498,392	-	498,392
Less: Share issue costs	-	-28,647	-	-28,647
Loss for the year	-	-	-29,218	-29,228
Balance at 31 December 2020	**5,578**	**826,219**	**-62,960**	**768,837**

Note 42 Capital commitments

As at 30 December 2020, the Company has no capital commitments. (2019: nil).

Note 43 Contingent liabilities

As at 30 December 2020, the Company has no contingent liabilities (2019: nil).

Note 44 Related Party Transactions

In the prior year, part of the intercompany loan with Mintra Midco AS amounting to NOK 71,400,000 was capitalised as equity.

In addition, Riverside Group acted as guarantor to the loan from Bank of Montreal, and guarantee interest rolled up and payable as at 31 December 2019 amounted to NOK 11,916,812, of which NOK 10,439,499 is included in interest expense in the statement of profit and loss for the year ended 31 December 2019. The amount expensed in the current year statement of profit and loss amounted to NOK 7,474,751.

The loan from Bank of Montreal was settled in full in October 2020, and the rolled-up guarantee interest accruing at that date, amounting to £1,768,229 (being NOK 21,624,423) was paid in full, and a foreign exchange loss on re-translation of GBP to NOK of NOK 2,232,860 was recognised on extinguishing of the loan.

Further, Riverside Capital Appreciation Fund VI (and VI-A) LP and other shareholders (namely Bakken Berg Invest AS, Peter Conner, David Reilly, Jamne AS, Kyrre Øygarden and Scott Kerr) provided a bank guarantee to Nordea totalling NOK45m.

The shareholders were released from the Guarantee on 29 June 2020, at which point interest accruing on the shareholders' guarantee ceased. The amount expensed relating to shareholders' guarantee interest in 2020 amounted to NOK 4,476,863. In October 2020, the Company paid the accrued shareholders' guarantee interest in full, totalling NOK 21,859,329

As at 31 December 2019, the amount payable and included in other short-term liabilities amounted to NOK 17,382,466, of which NOK 8,136,844 is included in interest expense in the statement of profit and loss for the year ended 31 December 2019.

Note 45 Events after the balance sheet date

On 18 February 2021, the Company acquired the maritime digital learning and crew competence management company Safebridge for €5.95m. Safebridge was founded in 1998, has bases in Cyprus and Germany, with 46 employees. The acquisition adds 500 new customers and 200,000 users, meaning Mintra now services more than 4,000 customer accounts and two million system users worldwide.

Aberdeen
Offshore House, Claymore Drive,
Aberdeen, UK AB23 8GD
+44 (0)1224 651340

Amsterdam
Strawinskylaan 4117, Amsterdam,
Netherlands 1077 ZX

Bergen
Fjøsangerveien 50D, NO-5059
+47 24 15 55 00

Dubai
Office 5417 / Floor 54, Almas
Tower, Jumeriah Lake Towers,
Dubai
+971 (4) 383 5548

Oslo
Storgata 3, NO-0155
+47 24 15 55 00

Singapore
78 Shenton Way #16-02, 079120
+65 6904 4416

Stavanger
iPark, Prof. Olav Hanssensvei 7A,
NO-4068
+47 24 15 55 00

info@mintra.com
mintra.com

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