

# **INTERIM REPORT Q3 2022**

## **INDUCT AS**

## Highlights

- Platform revenues increased by 20% from Q3 2021 to Q3 2022, from NOK 4,1 million to NOK 4,9 million. YTD platform revenues are up by 66,5% from NOK 8,5 million in Q3 2021 to NOK 14,2 million in Q3 2022.
- A stable and high gross margin on platform revenues at 95,5 % in Q3 2022.
- Total revenues increased by 6% from Q3 2021 to Q3 2022, from NOK 5,0 million to NOK 5,3 million.
- Positive EBITDA of NOK 2,8 million in Q3 2022, an increase from NOK 1,6 million in Q3 2021.
- Ad revenues generated from 65 countries in Q3 2022.
- Grantway had 110 063 funding opportunities available across 186 countries on 30<sup>th</sup> September 2022.

## CEO Comment



We continue delivering strong results and are delighted to share that platform revenues have grown by 20% from last year and that our EBITDA has almost doubled compared to Q3 2021. The improved EBITDA is a result of realizing synergies between Induct and OSINT.

Grantway now has more than 100.000 funding opportunities across 186 countries. It is truly a global portal with attractive content. We are pushing our technology to reach the next milestone of 1 million funding opportunities available globally. The marketing activities started early Q4 2022, and we have seen the start of our user growth.

In early October, we finalized the acquisition of Bidra.no. Bidra was one of the first companies to develop its own technology for crowdfunding as a subscription-based platform-as-a-service. The company currently has several large customers, including Eika, Cultura Bank, the Salvation Army and Norges Vel.

Bidra.no is also operated as an independent platform for rewards and donation-based crowdfunding and fits very well with the Induct vision. Bidra AS is not included in our Q3 numbers but will be included in Q4 2022.

Portsmouth Hospitals University NHS Trust is ready to take the next step towards wider use of the solution. This is anticipated to take place in Q4 2022. Security is key in this offering, and as such, there is no room for shortcuts.

Ad revenues continue to grow alongside growth in our induct.net user base. Global RPM (revenue per 1000 ad shown) is NOK 12,04 in Q3 2022, with a variance of NOK 1,63 – NOK 417,85 from the lowest to highest paid markets. The global RPM is expected to grow as our offerings mature and our user base continues to grow.

**Alf Martin Johansen**  
CEO

# Operational Review

Our core day-to-day operations are stable, and we maintain a strong >95% gross margin on our platform revenues. From a product development and growth perspective, the 3rd quarter has focused on developing new functionality on the global search portal for funding – Grantway, and further strengthen our identity and access management security.

In Q2 we launched the global version of Grantway. The launch represented the completion of a major milestone for the product and laid the foundation for entering new geographical markets and reaching new market segments.

As Grantway matures, product development has started the process of moving its focus from acquisition (creating awareness) and activation (converting interest into registered users) to retention (returning and active users) and referral (organic growth). As planned, in Q3 we developed and launched new functionality that allow users to save their searches and save individual funding opportunities to their user account. Every search result and individual funding opportunity can also be shared with others – by email to registered and unregistered users, and by posting links in communication channels and social media.

We want Grantway to be the preferred go-to portal for anyone looking for funding. Grantway, and all its functionality, is therefore fully responsive. This mean that users can search for funding and save favorites from

their smart phone whilst on the train on their way home from work or enjoying a cup of coffee on a Sunday afternoon.

Users expect a lot from search applications. In the blink of an eye, they hope we understand what they are after based on the search terms they enter. If a search result does not seem relevant, users get frustrated. Searching for content using keywords is only effective if you know exactly what you are looking for. In Grantway, users search to find what they think they know and discover everything they didn't know that they didn't know. To improve the user experience, and match users with the most relevant funding opportunities, we have made the search box bigger and centrally placed, and we return search results based on their relevance to the users search terms. Forrester Research has found that those actively using the search box are 2-3x more likely to convert to active users.

The Induct platform now offers two-factor authentication (2FA) to further strengthen our identity and access management security.

In Q3, the Induct Group signed 1 new subscription contracts and lost 2 subscription contracts.

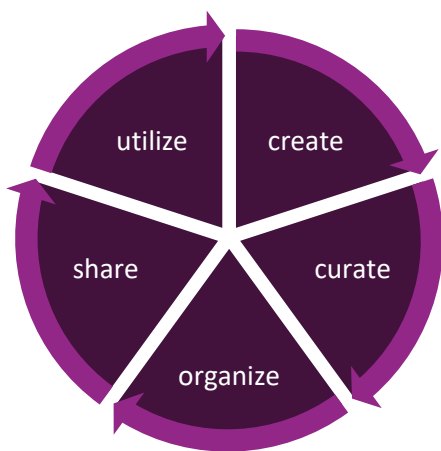


**Synnøve Jacobsen**  
COO

# Induct Group offering

## Managing processes & portfolios

Process and portfolio management is the interdisciplinary process of creating, using, sharing, and maintaining information and knowledge. At its core, it is about making the best use of knowledge to achieve desired goals and objectives.



The Knowledge Management Cycle

With process and portfolio management, our goal is to support organizations and individuals in managing and leveraging knowledge. To do this, we help our customers create the digital structures they need to manage their data and information effectively and efficiently.

Our process and portfolio management offerings include @WORK for organizations, @HOME for private individuals, @PATIENT for healthcare organization, and ecosystems and networks for collaborating organizations and individuals.

## @WORK

Our @WORK solution is for organizations and businesses who want an easy to use, digital platform for managing, organizing, and collaborating on their work – internally and in partnership with others.

@WORK support organizations need for governance by providing dedicated governance rooms for everything from managing internal operations and administration, to policies, general meetings, and investor relations. Governance rooms are access controlled workrooms that offer team chats, task management and unlimited document storage.

@WORK also support organizations in managing portfolios of work, like internal projects or product development, in dedicated workspaces. Workspaces are access controlled and can consist of an unlimited number of workrooms for projects, contracts, and discussion groups. Each workroom offers team chats, task management, portfolio categorization and unlimited document storage. @WORK can be used in combination with our collaborative tools, including video meetings and direct messaging.

## @WORK market focus

For @WORK, we are currently working on increasing our market share among Small and Medium Enterprises (SMEs) and Not-for-Profit and Volunteer organizations.

## **@HOME**

Our @HOME solution is there to help individuals organize their personal life and activities.

@HOME can be used to manage build and home renovation projects, managing spare time activities for the whole family, planning family holidays, and managing all important paperwork, including insurances, wills and testaments, and cohabitation contracts.

@HOME is available for all registered users and can be turned on or off as desired. Users of @HOME can create as many workrooms as they need to manage their projects, agreements and contracts, and collaborate in groups.

Each workroom offers team chats, task management, categorization, and unlimited document storage. @HOME can be used in combination with our collaborative tools, including video meetings and direct messaging.

### @HOME market focus

For @HOME, we are working on increasing our market share among independent contractors, freelancers, and existing users.

## **@PATIENT**

Our @PATIENT solution is for healthcare organizations who are looking for an easier way to manage patients in a clinical pathway. The solution is built on the concept that an individual should have one digital patient record.

### NHS England – Severe Asthma pathway

In the UK, around 200,000 people have severe asthma, and the disease causes over 500 deaths per year. It is estimated that it costs between 582 and 825 million GBP annually to treat this patient group (NHS report).

The Severe Asthma Service at Portsmouth Hospitals University NHS Trust is a specialist centre for severe asthma in the region. They act as the hub in a network of hospitals and manage and treat patients from all hospitals in the network.

Together with the Severe Asthma Service, we are creating a pathway module for managing severe and chronically ill patients through treatment in a clinical pathway. Clinical pathways are best practices to be followed in the treatment of a patient with a particular condition or needs. The intent is to improve treatment outcomes, reduce time spent on treatment, reduce cost, and collect anonymized data for research purposes.

As part of the pathway structure, we are creating a “one patient – one record” patient management system. This gives clinical staff instant access to the patient record, regardless of which hospital the patient belongs to.

In November 2021, we published the first version of the severe asthma care pathway module for clinical, research and administrative staff members at Portsmouth Hospitals University NHS Trust. In phase two we are making the care pathway available to clinical, research and administrative staff members at four other hospitals and related health care services.

In phase three we will be looking at expanding the care pathway to other severe asthma networks in NHS England, in addition to involving and engaging severe asthma patients in the care pathway.

We have built the care pathway structure in a flexible and secure framework that allows us to both expand into other care pathways, e.g. diabetes and COPD, and geographic locations e.g. Norway.

#### @PATIENT market focus

For @PATIENT, our focus is on growing our market share within the NHS.

#### **Eco-systems and networks**

The induct.net platform facilitates work and collaboration in both networks and ecosystems. A question many ask is whether networks and ecosystems are the same, and if not, how they differ. Our approach is that they are indeed different, and we cater for these differences in the solutions we offer. Networks are usually based on mutually binding contracts or contractual frameworks, whilst ecosystems are driven by a mutual purpose, and include actions or development that cannot be 100% defined in the beginning.

#### Healthcare Innovation Network

Our Idea and Innovation Management solution has been on the market since 2009 and is used by both public and private sector organizations, including Equinor, NorgesGruppen, Hewlett Packard, the Norwegian Tax Administration, international healthcare providers and more than 90% of Norwegian healthcare trust.

Thousands of ideas are sent through our solutions and many end up being important and impactful innovations.

One of these ideas came from a nurse at a Danish university hospital. Based on her experience and field of expertise, she shared her idea of attaching oxygen tubes to pacifiers. A simple, yet brilliant, idea that makes it easier and much safer to administer the right levels of oxygen to newborns, infants, and toddlers.

There are countless examples of good ideas that have been developed into powerful products, services, and improvements in the healthcare sector.



The Oxygen Soother

The challenge has been to share these innovations with other healthcare trusts and maximizing the benefit from each innovation. Too often, we see that different trusts spend money on solving the same challenge or developing the same product or service.

In Norway, we have connected the Idea and Innovation Management solutions used by healthcare trusts in a sharing network. In the network, healthcare trusts share: (a) ideas that they are



working on – so that everyone can see what is happening in other hospitals, (b) ideas that they have stopped working on – so that others can learn from the work done and (c) implemented innovations – so that others easily can adopt and adjust a project to fit their needs and implement the innovation much faster than if they had to start from scratch.

### National SME Ecosystem

SMB Norge is an interest organisation for SMEs in Norway that focusses on safeguarding the interests and business conditions of smaller companies. The organisation has 5000 members and is building an ecosystem for all SMEs in Norway - the National SME Ecosystem. The vision is to create a 'powerhouse' for SMEs, where they have access to a marketplace for products and services, insight into political projects and processes driven by SMB Norge, access to relevant courses and training in an SME Academy, membership benefits and the ability to join purchasing power projects and much more.

The first version of the ecosystem is already up and running. In the first version, SMEs are given the opportunity to get access to, and use, a version of Inducts @WORK solution that has been tailored to the needs of SME. It includes templates, guides, tips, and other information relevant to starting and running a successful business.

All SMEs are connected to the ecosystem, where they have access to shared templates on everything from employee management to HSE documents and digital marketing.

## **Searching for information & knowledge**

This market segment is about finding the information you need amongst trillions of sources. With movements like Open Access, more and more information is made available online. However, the challenge faced is still the same. How to find the information and data we need or want, when it is scattered around the web in thousands of different databases and websites.

With our information and knowledge search portals, our goal is to find, analyze, structure and present data in a way that enable organizations and individuals to find value in it. Our offerings include Grantway – a global search portal for funding opportunities, and Leita – an open access search engine for scientific research and articles.

### **Grantway**

Grantway is a global portal for funding opportunities that give people, students, scientists and researchers, organizations, charities, voluntary organizations – basically everyone, the ability to search for, find, discuss, and apply for grants and funding that is available to them – locally, nationally, and internationally.

With Grantway, our goal is not only to become the preferred portal for finding and applying for funding opportunities. It is also where we want grant and funding providers to publish their funding opportunities, receive and assess applications, and do the necessary follow-up of successful applicants.



Grantway is developed and launched in phases, both in terms of geographical reach and the types of funding it includes.

#### Phase 1 – Grantway England

There are more than 900.000 voluntary organizations in England and our goal is to recruit 1,5 million users from these organizations who each spend at least 20 minutes in Grantway per month. With an estimated RPM of 25NOK, this level of user activity would generate 1,4 MNOK in revenues per month.

Launched: 1<sup>st</sup> March 2022.

#### Phase 2 – Grantway Global

Users from all over the world should be able to access and benefit from Grantway. The portal must be built and structured in a way that allow us to collect and present funding opportunity from every country in the world.

It should be possible for anyone, anywhere in the world, to access Grantway, from any device including smart phones, and search for funding opportunities that are available to them locally, nationally and internationally. Where the first version primarily contained grant opportunities, the global version should make it possible to search for and find relevant scholarships, fellowships, sponsorships and loans.

Launched: 29<sup>th</sup> June 2022.

#### Marketing Campaign – Grantway USA

There are more than 1.560.000 voluntary organizations in the US and our goal is to recruit 3 million users from these organizations who each spend at least 20 minutes in Grantway per month.

With an estimated RPM of 35NOK, this level of user activity would generate 4,1 MNOK in revenues per month.

Launched: Q3 2022.

#### Marketing Campaign – Grantway Spain

More than 5 million people are involved some form of charity/voluntary work in Spain. Our goal is to recruit 1 million of these users and that they will spend at least 20 minutes in Grantway per month. With an estimated RPM of 15NOK, this level of user activity would generate 600,000 NOK in revenues per month.

Launched: Q3 2022.

#### Next steps

To get Grantway set-up and ready for launch in a new country is estimated to +/- 60 days. Following the launch of Grantway in the US, we will be looking to expand the portal into other English-speaking countries such Canada, the rest of the UK, Ireland, Australia, and New Zealand – in addition to looking at opportunities in countries like Germany and France.

We will continue adding new funding to the portal, including scholarships and research grants, and develop the functionality that enables organizations to enter and manage their funding opportunities in the portal.

#### **Leita – the open access search engine**

The “Open Access” initiative has led to rapid growth in available research articles. Not only are articles open for free download and use, but the data related to the research are also free.

However, the same challenge persists. It is challenging to find the most relevant research information when articles and datasets are scattered around the web in thousands of different databases.

Based on our extensive expertise in data mining and preparing data for further usage, we are developing a state-of-the-art search facility capable of returning results from an unlimited number of sources, including PubMed, Unpaywall, Researchgate, and Doaj, to name a few.

Our goal is to become a comprehensive and trusted search engine provider of open access information, knowledge, and data – for people, students, researchers, and librarians – basically everyone who is interested in, or in need of, research articles and data.

Currently, LEITA covers more than 20,000 databases containing published articles and datasets from publicly funded research. The POC (proof of concept) is being tested by researcher and librarians.

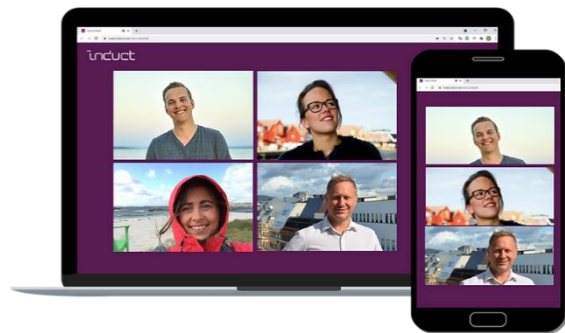
## **Toolbox for collaboration and connections**

Recent years have shown us that we need to develop new and different ways of working. The induct.net platform is an example of how we can leverage technology to create new digital ways of working, alone and together with others. With our selection of tools for connecting and collaborating, we are looking to remove unnecessary barriers for digital work. Our toolbox, which will continue to grow, currently consists of Meet@Induct – our video meeting solution and

Chat@induct – our direct messaging solution for individuals and groups.

### **Meet@Induct**

Meet is our video meeting solution that makes it easier to meet and connect with colleagues and partners, friends, and family.



Meet is free to use, for organizations and individuals alike, and comes without annoying limitations.

You can create as many video meeting rooms as you want, invite as many people as you need to your meetings, and meet for as long as it takes.

Those you invite to a Meet do not need to download anything or go through user registration. All they need to do is click on the meeting link you sent them.

Meet is available from all devices – on [meet.induct.net](https://meet.induct.net) – which means that creating or joining a video meeting has never been easier.

### **CHAT@Induct**

Chat is our direct messaging solution that makes it easier to stay in touch and have good conversations with colleagues, partners, friends, and family.

Chat is free to use, for organizations and individuals alike.

You can create one-to-one conversations or group chats for when you need to communicate with a larger number of people, like your project team or your family.

Chat is available from all devices – on chat.induct.net – which means that you'll have access to your chats at all times.

**eSign@Induct** (coming soon)

In December 2021, Induct entered into a partnership agreement with Scrive, the eSign experts used by companies like Avis, Volvo, DNB and Moderna.

Together with Scrive, we will be giving our customers the opportunity to sign documents and contracts electronically through the induct.net platform. Our eSign service is subject to a small transaction fee.

# Revenue Models

## Platform revenues

Platform revenues consist of these 3 main revenue streams:

- subscriptions
- advertisement
- transaction fees

## Subscription

Subscription revenues are split between (1) annual upfront payments and (2) quarterly upfront payments.

Our main sources of subscriptions are today related to the Idea and Innovation Management and Tilskuddsportalen offerings.

## Advertisement

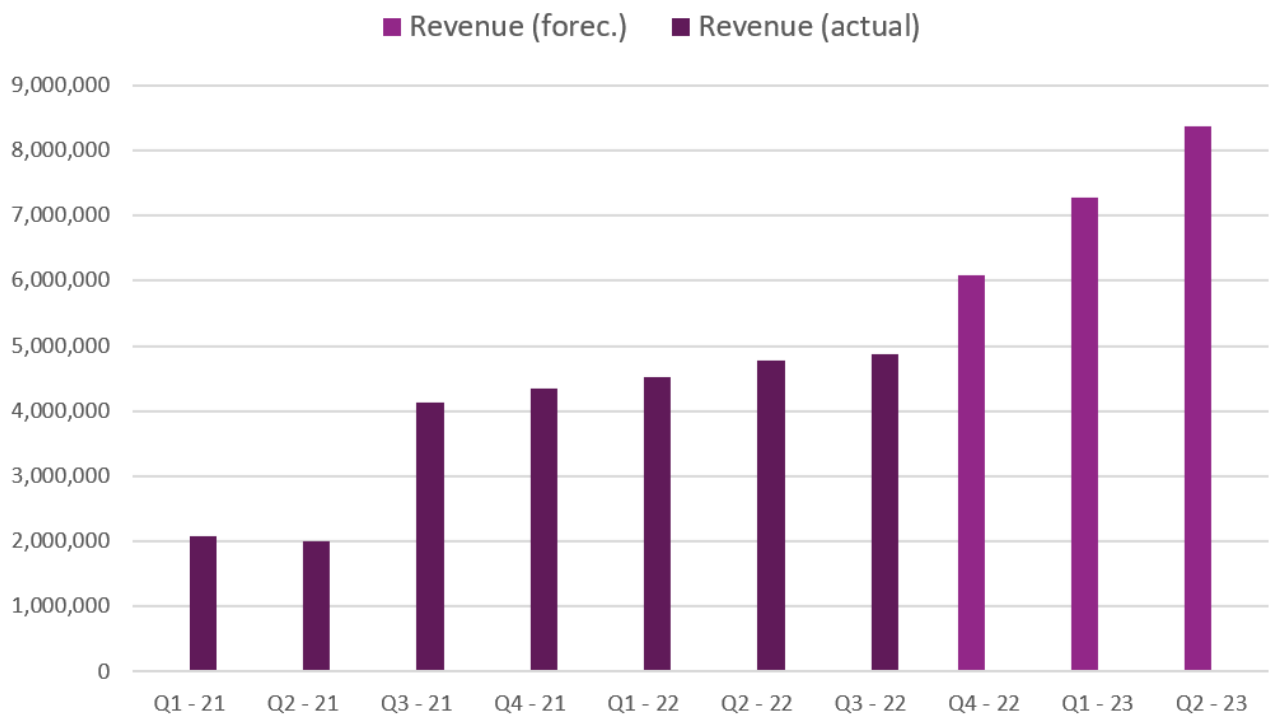
An ad-based business model has 3 key revenue drivers, (1) number of users, (2) impressions and (3) revenue per mille (RPM).

Increasing the number of registered users and maximizing the time each user spend on the platform per month, impacts the total number of ad impressions. It should also be noted that ads are shown to non-registered users as they participate in e.g., video meeting on the Induct platform.

Example:

If a Grantway users spend 1 hour a month on the platform, rather than 20 minutes, the revenues generated will triple per user per month.

## Platform revenues and forecast (Q1 2021-Q2 2023)



RPM is the amount advertisers are willing to pay for their ads to be shown to users on the platform. The RPM is different from country to country. In some countries, like Norway and most European countries, digital marketing is a mature business model and part of day-to-day business activities. In other countries, like Nepal, the use of digital marketing is not as mature.

We receive ads directly from Google's AdExchange, and we have experienced with selling ad campaigns directly to advertisers to maximize the RPM.

Through our AdExchange account, we can place advertisement on third party websites and mobile apps in return for a cut of the ad revenues generated by the third party.

### **Transaction fees**

Transaction fees are revenues generated by transactions carried out on the platform. Our eSign offering will be the first example of this type of revenue.

### **Professional services**

Professional services consist of:

- implementation projects
- training

These revenues are generated by the implementation and training services we offer customers and users.

# About Induct

## Our history

Induct AS was established in 2007 and was a first mover in the development of software as a service (SaaS) solution for managing innovation efforts in, and between, organizations. Our software has enabled more than 350 organizations world-wide to release the potential that lie in identifying new and good ideas through innovation engagement and realizing the benefits of turning good ideas into new ways of thinking, acting, organizing, and working.

Our Idea and Innovation Management solution has been on the market since 2009 and is used by organizations like Equinor, Norgesgruppen, Hewlett Packard (HP), the Norwegian Business Registry, international healthcare providers and more than 90% of Norwegian healthcare trust.

Key to the Induct mission is supporting the development of knowledge, and more importantly – allowing knowledge to be shared, found, and leveraged. In the healthcare sector we have connected hospitals in Norway, and international healthcare providers, in a sharing network. This means that great ideas and powerful innovations can more easily be shared, adopted, and implemented faster.

In the public sector, we have enabled cross-departmental collaboration and collaboration between the public and private sector, resulting in new and more effective ways of working.

## A new step on our journey

In 2020, Induct took a new step on its journey as a knowledge empowerment provider. We launched a new digital platform – induct.net – where work and collaboration are taken to a new level for organizations and individuals alike. By removing unnecessary and unhelpful barriers to collaboration, the platform is a unique facilitator of knowledge development, sharing and empowerment within organizations, in collaborative networks and ecosystems.

Our work within the innovation field has taught us many lessons, one being the importance of having a future-ready business model. By incorporating advertisement in selected areas of the induct.net platform, we offer the core platform free of charge, and without unnecessary restrictions. After all, what good is knowledge if it is hidden behind yet another payment wall.

## Moving the world forward

The speed of digitalization is fast, and the Covid-19 pandemic has fully illustrated how we can utilize digital platforms, solutions, and tools to continue working and collaborating in challenging and unexpected situations. The world has always evolved through humanities willingness, eagerness, and desire to move forward. Induct will continue to develop and deliver digital platforms and solutions that support work, co-working, collaboration, networks, and ecosystems, and be a facilitator of knowledge empowerment.



# The Induct Group

The Induct Group includes Induct AS and its 100% owned subsidiaries Induct Solutions UK Ltd. (UK), Induct Software Inc. (US), Induct SEA S.L (Spain), Induct R&D S.L (Spain) and OSINT Analytics AS (Norway).

## Induct AS

- Induct R&D S.L. (Spain)
- Induct Solutions UK Ltd. (UK)
- Induct SEA S.L. (Spain)
- Induct Software Inc. (US)
- OSINT Analytics AS (Norway)

## Mergers and acquisitions

In Q3, Tilskuddsportalen AS, a fully owned subsidiary of OSINT Analytics AS, was merged with OSINT Analytics AS to reduce unnecessary overhead cost.

We are continuously looking for opportunities that can strengthen our market share, revenues, technology, or core knowledge.



# Income Statement

	Unaudited Q3 2022	Unaudited Q3 2021	Unaudited YTD Q3 2022	Unaudited YTD Q3 2021
<b>Revenues</b>				
Sales revenue – platform	4 883	4 135	14 190	8 523
Sales revenue – consulting	74	564	705	1 212
Research grant	314	315	969	315
<b>Total Revenues</b>	<b>5 299</b>	<b>5 014</b>	<b>15 864</b>	<b>10 050</b>
<b>Cost of sales</b>				
Cost of sales – platform	221	149	673	315
Cost of sales – consulting	65	455	808	1 022
<b>Total Cost of sales</b>	<b>286</b>	<b>604</b>	<b>1 481</b>	<b>1 337</b>
<b>Gross Margin</b>	<b>5 012</b>	<b>4 410</b>	<b>14 382</b>	<b>8 713</b>
<i>Gross Margin Platform</i>	<i>95,5%</i>	<i>96,4%</i>		
<i>Gross Margin Consulting</i>	<i>12,2%</i>	<i>19,3%</i>		
Personnel costs	1 915	2 347	5 383	5 106
Depreciation & Amortization	2 246	1 807	6 545	3 369
Amortization OSINT Acquisition	611	0	1 832	0
Other operating costs	288	458	514	966
<b>Total Operating Costs</b>	<b>5 059</b>	<b>4 611</b>	<b>14 274</b>	<b>9 441</b>
<b>Operating result</b>	<b>-47</b>	<b>- 201</b>	<b>109</b>	<b>- 727</b>
<b>Financial items</b>				
Financial income	8	4	22	22
Financial costs	579	413	1 924	1 559
<b>Total Financial items</b>	<b>- 571</b>	<b>- 409</b>	<b>- 1 902</b>	<b>- 1 537</b>
<b>Extraordinary Cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>258</b>
<b>Net Profit before Taxation</b>	<b>- 618</b>	<b>- 610</b>	<b>- 1 793</b>	<b>- 2 587</b>
Corporate Tax	2	0	2	0
<b>Net Profit after Taxation</b>	<b>- 620</b>	<b>- 610</b>	<b>- 1 795</b>	<b>- 2 587</b>
<b>EBITDA</b>	<b>2 810</b>	<b>1 606</b>	<b>8 486</b>	<b>2 384</b>

# Balance Sheet

	Unaudited Q3 2022	Unaudited Q3 2021	Audited FY 2021	Audited FY 2020
<b>Non-current assets</b>				
Intangible assets	79 228	28 263	74 267	13 305
Fixed assets	222	183	200	178
<b>Total non-current assets</b>	<b>79 450</b>	<b>28 446</b>	<b>74 467</b>	<b>13 483</b>
<b>Current assets</b>				
Receivables	5 304	6 380	7 761	4 730
Bank accounts	4 405	4 910	4 593	3 768
<b>Total Current assets</b>	<b>9 709</b>	<b>7 992</b>	<b>12 355</b>	<b>8 498</b>
<b>Total assets</b>	<b>89 159</b>	<b>39 736</b>	<b>86 822</b>	<b>21 981</b>
<b>Shareholders Equity and Debt</b>				
<b>Paid-in capital</b>				
Share capital	1 737	1 326	1 326	1 326
Non-registered share capital increase	-	700	18 878	-
Share premium reserve	36 510	2 636	6 372	99 439
<b>Total paid-in capital</b>	<b>38 247</b>	<b>4 662</b>	<b>26 576</b>	<b>100 756</b>
<b>Retained earnings</b>				
Uncovered loss	- 1 649	0	- 8 402	- 95 944
<b>Total retained earnings</b>	<b>- 1 649</b>	<b>0</b>	<b>- 8 402</b>	<b>- 95 844</b>
<b>Total shareholder's equity</b>	<b>36 598</b>	<b>4 662</b>	<b>18 173</b>	<b>4 912</b>
<b>Debt</b>				
Long-term debt	27 945	23 329	28 152	5 335
Short-term debt	19 426	6 637	33 613	10 460
Deferred revenues	5 190	5 107	6 883	1 274
<b>Total debt</b>	<b>52 561</b>	<b>35 073</b>	<b>68 648</b>	<b>17 069</b>
<b>Total shareholder's equity and debt</b>	<b>89 159</b>	<b>39 735</b>	<b>86 822</b>	<b>21 981</b>

## Number of shares

Number of issued shares per 30.09.2022	17 371 381
Pending rights issue 1)	1 700 000
Pending share issue – acquisitions 2)	331 000
Convertible Loans 3)	1 383 333
Warrants attached to convertible notes 4)	374 724
Shares to be issued to OSINT shareholders 5)	1 887 820
Number of shares - fully diluted	23 048 258

- 1) The strike price for 350,000 options is NOK 4 per share.  
The strike price for 1,000,000 options is NOK 4 per share.  
The strike price for 350,000 options is NOK 5,5 per share.
- 2) Pending share issue relates to the acquisition of subsidiaries in Brazil, Spain, and India.

In addition to the 331,000 shares mentioned above, the purchase agreements include a performance based earn-out element, with a total cap of an additional 1,1 million shares based on aggressive growth performance over a 3-year period from the acquisition date. No shares are earned as of 31.3.2022.

- 3) Convertible loan of NOK 0,5M issued to Intelco AS. A total of 50,000 shares.  
Convertible loan of NOK 10M issued to NPP Capital AS with conversion price of NOK 7,5 per share. A total of 1,333,333 shares.
- 4) EHGO has warrants attached to the convertible notes. The exercise price for the warrants is 120% of the weighted average trading price the last 5 trading days prior to Induct requesting a tranche.

The following warrants have been issued:

### Tranche 1

100 000 warrants each giving the right to subscribe to one share each at a subscription price of NOK 12.50 per share.

### Tranche 2

96 153 warrants each giving the right to subscribe to one share each at a subscription price of NOK 13.00 per share.

### Tranche 3

178,571 warrants each giving the right to subscribe to one share each at a subscription price of NOK 7.34 per share.

The warrants expire five years from their issuance.

- 5) Part of the purchase price for 100 % of the OSINT Analytics AS shares is to issue 1 887 820 shares to the shareholders in OSINT which chose to convert their OSINT shares to Induct shares. In addition, NOK 18 878 200 will be converted to shares in Induct when certain criteria are met. The conversion price is the weighted average share price of the month prior to meeting the criteria for conversion.

## Financial Results

The group's platform revenue in Q3 2022 amounts to NOK 4.9 million, which is an increase of 18 % compared to Q3 2021. Consulting revenue in Q3 2022 amounted to NOK 0.1 million which is down from NOK 0.6 million in Q3 2021.

Operating costs in Q3 2022 is NOK 5.1 million, which is up 9,7 % compared to Q3 2021.

Financial costs are mainly interest on convertible loans.

EBITDA for Q3 2022 has increased to NOK 2.8 million compared to NOK 1.6 million in Q3 2021.

Net Profit before taxation in Q3 2022 is NOK minus 0.6 million compared to NOK minus 0.6 million in Q3 2021.

The booked equity is NOK 36.6 million by the end of Q3 2022, compared with NOK 4.7 million in Q3 2021.

The group's interest-bearing debt by end of Q3 2022 amounts to NOK 26.2 million, which primarily consists of convertible loans from NPP Capital AS and Intelco AS, and regular bank loan to OSINT Analytics AS from Sparebanken 1 Østlandet.

Deferred revenue amounting to NOK 5.2 million by the end of Q3 2022, up from NOK 5.1 million in Q3 2021. Long term debt includes NOK 18.9 million to previous OSINT Analytics AS shareholders to be converted to equity.



# Cash Situation and Funding

The cash situation is satisfactory for the company. However, the management and board strive to provide the most beneficial financing alternatives to its shareholders.

Oslo, 15 November 2022



**Henning Petersen**  
(sign.)  
Board Member



**Karl-Anders Grønland**  
(sign.)  
Chairman



**Hans Martin Nakkim**  
(sign.)  
Board Member



**Ole Jørgen Karud**  
(sign.)  
Board Member



**Øystein Tvenge**  
(sign.)  
Board Member

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