

HERMANA HOLDING ASA FINANCIAL STATEMENTS 23.08.2023-31.12.2023

STATEMENT OF COMPREHENSIVE INCOME

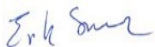
NOK	Note	23.08.23- 31.12.23
Operating revenue		0
Other operating expense	5	0
Total operating expense		0
Operating profit/(loss)		0
Interest income		9
Net financial profit/(loss)		9
Profit/(loss) before tax		9
Tax income/(expense)	6	(2)
net profit/(loss)		7
Other comprehensive income		0
Total comprehensive income		7

BALANCE SHEET

NOK	Note	31.12.23
ASSETS		
Current Assets		
Cash and cash equivalents		30 009
Total current assets		30 009
TOTAL ASSETS		30 009
EQUITY		
Share capital		30 000
Retained earnings	7	7
TOTAL EQUITY		30 007
LIABILITIES		
Current liabilities		
Tax payable		2
Total current liabilities		2
TOTAL LIABILITIES		2
TOTAL EQUITY AND LIABILITIES		30 009

Oslo, Norway, 17 April 2024

The Board of Directors of Hermana Holding ASA



Erik Sneve, Chairman



Torstein Sanness, Board Member



Hilde Ådland, Board Member



Bård Olsen (Daglig leder og CFO)

STATEMENT OF CHANGES IN EQUITY

NOK million	Share Capital	Retained earnings	Total equity
Capital increase at incorporation 23 August 2023	30 000		30 000
Total comprehensive income for the period		7	7
Equity as of 31 December 2023	30 000	7	30 007

CASH FLOW STATEMENT

NOK million	Note	23.08.23- 31.12.23
Cash flow from operating activities		
Profit/(loss) before tax		9
Cash flow from operating activities		9
Cash flow from investing activities		0
Proceeds from issuance of shares		30 000
Cash flow from financing activities		30 000
Net cash flow		30 009
Cash and cash equivalent at the beginning of the period		0
Cash and cash equivalent at the end of the period		30 009

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION

Hermana Holding ASA (previously named Magnora Legacy Holding AS, and before that Project Tripartite 3 AS) was incorporated 23 August 2023 as a subsidiary of Magnora ASA. Prior to the on-going process of listing the company on the Oslo Stock Exchange, the Company was converted into a public liability company on 14 March 2024 and renamed Hermana Holding ASA. The company will be the parent entity of the Hermana group, which are formed in 2024. See note 9 for further details.

The company is part of the consolidated financial statement of Magnora ASA. The consolidated statements of the parent company, Magnora ASA, may be obtained at the company's registered address Karenslyst Allé 6, 0278 Oslo.

These financial statements were approved by the Board of Directors on 17 April 2024.

NOTE 2: MATERIAL ACCOUNTING POLICIES

BASIS FOR PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU) (IFRS).

These financial statements have been prepared under IFRS to satisfy the listing rules on Oslo stock exchange. The financial statements will also be included when Hermana Holding ASA issues the annual report for 2024 as a listed company. See note 9.

GOING CONCERN

Pursuant to section 3-3a of the Norwegian Accounting Act, the board has performed a robust assessment of the company's cash flows and its financial and liquidity positions and confirms that the conditions for continued operation as a going concern are present and that the financial statements have been prepared on that basis. The board confirms that the annual financial statements represent a true and fair view of the company's financial position and that it is not aware of any factors that would materially affect the assessment of the company on 31 December 2023.

BALANCE SHEET CLASSIFICATION

Current assets and current liabilities include items due less than a year from the balance sheet date, and items related to the operating cycle, if longer. Other assets and liabilities are classified as noncurrent.

CASH AND CASH EQUIVALENTS

Cash and the equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

FOREIGN CURRENCY

The company's functional currency is Norwegian kroner (NOK), since it is the currency of the primary economic environment in which it operates. Foreign currency transactions are translated into NOK using the exchange rates at the transaction date. Monetary balances in foreign currencies are translated into NOK at the exchange rates on the date of the balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

STATEMENT OF CASH FLOW

The statement of cash flow is prepared according to the indirect method.

NEW AND AMENDED STANDARDS

New standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2024 and have not been applied in preparing these financial statements. None of these are expected to have any significant impact on the company's financial statements.

INCOME TAXES

Deferred income taxes is provided using the liability method on temporary difference at balance sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purpose. Tax- reducing temporary differences and losses carried forward are offset against tax-increasing temporary differences that are reversed in the same time intervals. Taxes consist of taxes payable (taxes on current year taxable income) and change in net deferred taxes.

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

NOTE 3: FINANCIAL RISK MANAGEMENT

MARKET RISK

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates. The company is currently not exposed to interest changes.

Foreign exchange risk

Currency risk is the risk that fluctuations in the exchange rate will lead to changes in the Group's income statement, statement of financial position or cash flows. The company is currently not exposed to foreign exchange risk as the cash balances are in Norwegian kroner.

CREDIT RISK

Credit risk arises from credit exposure on cash balances. The Company has one main banking relationship with a financial institution that is currently rated Aa3.

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash. The company is as of the balance sheet date an empty company and will be provided liquidity from the parent entity when the company becomes active in 2024. See note 9 subsequent events.

COVENANTS

The Group has no covenants.

CAPITAL MANAGEMENT

For the Company's capital management, capital means total equity and cash balance. The primary objective of the Company's capital management is to maximise shareholder value.

The Company manages its capital through budgeting and cost monitoring.

CLIMATE CHANGES

Financial loss due to climate change is considered low.

NOTE 4: ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are assumed to be reasonable under current circumstances. There were no significant estimates and judgments made in preparing these financial statements.

NOTE 5: OPERATIONAL EXPENSES

The Company has no employees, and there is no remuneration payment made to the CEO or board members.

There are no loans or guarantees made to the CEO, board members, or any other related party.

There is no pension scheme in the Company, and there is no such requirement as there are no employees.

The Company has not recorded expenses related to the 2023 audit.

NOTE 6: TAXES

Reconciliation between nominal and actual tax expense rate:

	23.08.23- 31.12.23
Profit/(loss) before tax	9
Expected income tax using the nominal tax rate (22%)	2
Tax effects of the following items:	
Income tax expense	2
Effective tax rate	22%

There are no deferred tax assets/liabilities as of the balance sheet date.

NOTE 7: EQUITY

The share capital of NOK 30 000 comprises 1 share at a nominal value of NOK 30 000. The Company is owned 100% by Magnora ASA and is funded as needed by its parent. Magnora ASA has provided a letter of support to ensure 12 months' working capital from the date the financial statements are signed.

NOTE 8: RELATED PARTY TRANSACTIONS

There are no related party transactions during the reporting periods.

NOTE 9: SUBSEQUENT EVENTS

On 14 March 2024 the share capital was increased by cash of NOK 970 000 to NOK 1 000 000 by Magnora ASA. In the same general meeting it was decided to convert the company from a private liability company to a public liability to facilitate for being the parent entity in an ongoing listing process of Magnora's legacy business as described below.

On 1 December 2023 Project Tripartite 3 AS changed its name to Magnora Legacy Holding AS. On 14 March 2024 the name was further changed to Hermana Holding ASA.

Restructuring of legacy business in Magnora ASA:

On 18 February 2024 an Extraordinary General Meeting in Magnora ASA approved the board's proposal for a reorganization related to the ownership of the licensing business and the demerger plan prepared by the boards of Magnora ASA. In the demerger specific assets, rights and obligations as described in the demerger plan, were transferred to Project Tripartite 1 AS by the shareholders receiving consideration in the form of shares in Project Tripartite 1 AS.

In the same meeting a merger plan was approved, where Project Tripartite 1 AS the transferor company and Project Tripartite 2 AS the transferee company, was merged, and the merger consideration was issued by Magnora ASA.

The demerger and merger were completed in April 2024.

After the above-mentioned steps, 70% of the shares in Project Tripartite 2 AS will be demerged from Magnora ASA and become a subsidiary of Herman Holding ASA. Hermana Holding ASA will then be the parent entity of Hermana group and will seek to be listed on Oslo Stock Exchange.

To the Board of Directors of Hermana Holding ASA

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Hermana Holding ASA (the Company), which comprise the balance sheet as at 31 December 2023, statement of comprehensive income, statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 2 to the financial statements, which describes their basis of preparation. The financial statements were prepared to meet the requirements in connection with Hermana Holding ASA' listing of shares on Oslo Stock Exchange, including the prospectus prepared in connection therewith. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 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 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. We 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 a true and fair view.

We communicate with the Board of Directors 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.

Oslo, 17 April 2024
Deloitte AS

Lars Atle Lauvsnes
State Authorised Public Accountant

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"By my signature I confirm all dates and content in this document."

Lauvsnes, Lars Atle

State Authorised Public Accountant (Norway)

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