



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 923 967 850
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: PIANO SOFTWARE NORWAY NUF
Forretningsadresse: Drammensveien 165
0277 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Timothy Richard Dirrenberger
Dato for fastsettelse av årsregnskapet: 10.03.2025

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 21.12.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Sales revenue	1	105 595 410	90 429 390
Sum inntekter		105 595 410	90 429 390
Kostnader			
Cost of sales		37 758 002	34 993 202
Employee benefits expense	2	26 155 910	29 166 360
Depreciation and amortization	3, 4	12 508 859	14 021 867
Nedskrivning av varige driftsmidler og immaterielle eiendeler	3		
Other expenses	2, 5	20 983 220	11 571 278
Sum kostnader		97 405 990	89 752 707
Driftsresultat		8 189 419	676 683
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	5		
Annen renteinntekt		75 131	30 320
Other financial income			4 383 506
Sum finansinntekter		75 131	4 413 826
Write-down of other financial fixed assets	6		
Rentekostnad til foretak i samme konsern	5	548 774	700 938
Annen rentekostnad		23 215	27 816
Other financial expenses		1 074 556	75 346
Sum finanskostnader		1 646 545	804 099
Netto finans		-1 571 414	3 609 727
Ordinært resultat før skattekostnad		6 618 006	4 286 410
Tax expense	7	422 664	626 402
Ordinært resultat etter skattekostnad		6 195 342	3 660 008
Årsresultat		6 195 342	3 660 008
Årsresultat etter minoritetsinteresser		6 195 342	3 660 008



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Totalresultat		6 195 342	3 660 008
Overføringer og disponeringer			
Other equity		6 195 342	3 660 008
Sum overføringer og disponeringer	8	6 195 342	3 660 008



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Development	3, 9	23 627 346	25 675 805
Licences, patents etc.	3		
Utsatt skattefordel	7		
Sum immaterielle eiendeler		23 627 346	25 675 805
Varige driftsmidler			
Land, buildings and other real estate	4		
Plant and machinery	4		
Equipment, fixtures and fittings and other movables	4	305 873	624 402
Sum varige driftsmidler		305 873	624 402
Finansielle anleggsmidler			
Investering i datterselskap	6	2 228 851	2 228 851
Investering i annet foretak i samme konsern	6		
Lån til foretak i samme konsern	10		
Investeringer i tilknyttet selskap	6		
Lån til tilknyttet selskap og felles kontrollert virksomhet	10		
Other long-term receivables		1 668 402	1 656 553
Sum finansielle anleggsmidler		3 897 253	3 885 404
Sum anleggsmidler		27 830 472	30 185 610
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable	11	6 409 667	9 294 806
Accounts receivable from group companies	10	151 727 901	128 651 092
Other short-term receivables	9	9 126 415	5 405 117
Konsernfordringer	10		
Sum fordringer		167 263 983	143 351 016
Bankinnskudd, kontanter og lignende			



Balanse

Beløp i: NOK	Note	2023	2022
Bank deposits, cash and cash equivalents	12	10 028 274	5 497 163
Sum bankinnskudd, kontanter og lignende		10 028 274	5 497 163
Sum omløpsmidler		177 292 257	148 848 179
SUM EIENDELER		205 122 729	179 033 789

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	8		
Beholdning av egne aksjer	8		
Overkurs	8		
Annen innskutt egenkapital	8		

Opptjent egenkapital

Other equity	8	97 522 273	91 326 931
Udekket tap	8		
Sum opptjent egenkapital		97 522 273	91 326 931

Sum egenkapital

97 522 273 **91 326 931**

Gjeld

Langsiktig gjeld

Utsatt skatt	7		
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Annen langsiktig gjeld

Langsiktig konserngjeld	10	76 820 587	60 581 148
Sum annen langsiktig gjeld		76 820 587	60 581 148

Sum langsiktig gjeld

76 820 587 **60 581 148**

Kortsiktig gjeld

Konvertible lån		19 726 679	13 526 991
Leverandørgjeld		6 519 810	6 809 332
Tax payable	7		
Public duties payable		1 925 724	2 791 408



Balanse

Beløp i: NOK	Note	2023	2022
Kortsiktig konserngjeld	10		
Other current liabilities		2 607 657	3 997 980
Sum kortsiktig gjeld		30 779 869	27 125 710
Sum gjeld		107 600 456	87 706 858
SUM EGENKAPITAL OG GJELD		205 122 729	179 033 789



Financial statements 2023

Piano Software NUF

Organization number: 923 967 850



Income statement

Piano Software NUF

Operating income and operating expenses	Note	2023	2022
Sales revenue	1	105 595 410	90 429 390
Total income		105 595 410	90 429 390
Cost of sales		37 758 002	34 993 202
Employee benefits expense	2	26 155 910	29 166 360
Depreciation and amortization	3, 4	12 508 859	14 021 867
Other expenses	2, 5	20 983 220	11 571 278
Total expenses		97 405 990	89 752 707
Operating profit/loss		8 189 419	676 683
Financial income and expenses			
Other interest income		75 131	30 320
Other financial income		0	4 383 506
Interest expense to group companies	5	548 774	700 938
Other interest expenses		23 215	27 816
Other financial expenses		1 074 556	75 346
Net financial items		-1 571 414	3 609 727
Profit before tax		6 618 006	4 286 410
Tax expense	7	422 664	626 402
Profit for the year		6 195 342	3 660 008
Allocation of profit for the year			
Other equity		6 195 342	3 660 008
Total brought forward	8	6 195 342	3 660 008



Balance sheet
Piano Software NUF

Assets	Note	2023	2022
Non-current assets			
Development	3, 9	23 627 346	25 675 805
Total intangible assets		23 627 346	25 675 805
Equipment, fixtures and fittings and other movables	4	305 873	624 402
Total property, plant and equipment		305 873	624 402
Investments in subsidiaries	6	2 228 851	2 228 851
Other long-term receivables		1 668 402	1 656 553
Total non-current financial assets		3 897 253	3 885 404
Total non-current assets		27 830 472	30 185 610
Current assets			
Accounts receivable	11	6 409 667	9 294 806
Accounts receivable from group companies	10	151 727 901	128 651 092
Other short-term receivables	9	9 126 415	5 405 117
Total receivables		167 263 983	143 351 016
Bank deposits, cash and cash equivalents	12	10 028 274	5 497 163
Total bank deposits, cash and cash equivalents		10 028 274	5 497 163
Total current assets		177 292 257	148 848 179
Total assets		205 122 729	179 033 789



Balance sheet
Piano Software NUF

Equity and liabilities	Note	2023	2022
Equity			
Other equity	8	97 522 273	91 326 931
Total retained earnings		<u>97 522 273</u>	<u>91 326 931</u>
Total equity		<u>97 522 273</u>	<u>91 326 931</u>
Liabilities			
Liabilities to group companies	10	76 820 587	60 581 148
Total non-current liabilities		<u>76 820 587</u>	<u>60 581 148</u>
Deferred revenue		19 726 679	13 526 991
Trade payables		6 519 810	6 809 332
Public duties payable		1 925 724	2 791 408
Other current liabilities		2 607 657	3 997 980
Total current liabilities		<u>30 779 869</u>	<u>27 125 710</u>
Total liabilities		<u>107 600 456</u>	<u>87 706 858</u>
Total equity and liabilities		<u>205 122 729</u>	<u>179 033 789</u>

Oslo, _____
The board of Piano Software NUF

Alexander Johann Franta
general Manager

Timothy Richard Dirrenberger
general Manager



Cash flow statement

Piano Software NUF

	Note	2023	2022
Cash flows from operating activities			
Profit/loss before tax	8	6 618 006	4 286 410
Depreciation and amortization	3, 4	12 508 859	14 021 867
Change in accounts receivable		2 885 139	-1 220 077
Change in accounts payable		-289 522	3 162 240
Changes in intercompany accounts receivables		-23 076 809	-36 889 844
Change in other accrual items		210 534	3 011 087
Net cash flows from operating activities		-1 143 793	-13 628 317
Cash flows from investment activities			
Payments to buy tangible assets	4	-146 140	-184 718
Payment of intangible assets	3	-10 373 685	-15 342 188
Net cash flows from investment activities		-10 519 825	-15 526 906
Cash flows from financing activities			
Proceeds from shareholder contributions		16 239 439	27 896 738
Net cash flows from financing activities		16 239 439	27 896 738
Net change in cash and cash equivalents		4 575 821	-1 258 485
Cash and cash equivalents at the start of the period		5 497 163	6 755 648
Cash and cash equivalents at the end of the period	12	10 072 984	5 497 163



Notes to the financial statements 2023

Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Revenue

Income from sale of services are recognised at fair value, net after deduction of VAT, returns, discounts and reductions.

Revenue from the use of the technological platforms is recognized in the month the service is provided. Revenue is based on fixed monthly software fees and/or royalty payments dependent on platform utilization. There are few difficult judgements in determining the amount of revenue.

Revenue received from advertisers, and costs incurred from advertising agencies and publishers are presented gross, which reflects that the company does have separate transactions with separate counterparty risks. That is, the company does not act only as an agent in these transactions.

Revenue from royalty and management service fee are recognized monthly based on percentages of the counterparties gross revenue on each and every sale and allocation of direct and indirect costs incurred the period by the company.

Classification and assessment of balance sheet items

Assets intended for long-term ownership or use have been classified as fixed assets. Assets relating to the operating cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year of the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Intangible assets

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs is amortized linearly over its useful life. Research costs are expensed as incurred.

Fixed assets

Tangible fixed assets are capitalised and depreciated linearly down to the residual value over the expected useful economic life of the assets. Maintenance of operating equipment is expensed on an ongoing basis. Upgrades or improvements are added to the acquisition cost of the asset and depreciated in line with the asset. The difference between maintenance and upgrade / improvement is assessed based on the condition of the asset when purchased. Plots and land are not depreciated.

Costs related to leases of fixed assets are expensed over the lease period. Prepayments are reflected in the balance sheet as a prepaid expense, and are distributed over the rental period.

Impairment of fixed assets

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent ingoing cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use.

Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.



Notes to the financial statements 2023

Investments in other companies

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends from other companies are reflected as financial income when the dividends are approved.

Receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Pensions

With a defined contribution plan the company pays contributions to an insurance company. The contribution is recognised as payroll expenses in the period to which the contribution relates to.

Tax

The tax charge in the income statement consists of tax payable and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset and netted.

Foreign currencies translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Exchange gains and losses associated with services provided and services purchases in foreign currency are recorded as revenue and costs of materials.

Warranties, service and complaints

Provision for warranties and service work for completed projects / sales is recorded at the expected cost of such work. The estimate is based on historical figures for service and warranty repairs. The amount is recorded under other current liabilities and is recognised in the income statement on a straight-line basis over the warranty and service period.

Cash flow statement

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



Notes to the financial statements 2023

Note 1 Operating income

Activity distribution	2023
Sales revenue	61 128 262
Licence income, intercompany	8 301 589
Royalty income, intercompany	19 687 352
Other operating income	0
Other operating income, intercompany	16 478 207
Total	105 595 410

Geographical distribution	2023
EMEA	61 128 262
USA	8 301 589
Japan	36 165 559
Total	105 595 410



Notes to the financial statements 2023

Note 2 Personnel expenses, number of employees, remuneration, loan to employees

Payroll expenses	2023	2022
Salaries/wages	20 646 696	24 746 154
Social security fees	3 529 251	3 804 681
Pension expenses	595 315	625 923
Other remuneration	1 384 648	-10 398
Total	26 155 910	29 166 360

Average number of employees during the accounting year 18 21

OTP (Statutory occupational pension)

The company is required to have a pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension scheme meets the requirement of this law.

Expensed audit fee

Expenses paid to the auditor for 2023 amounts to NOK 844 510,- excl. VAT.

Statutory audit fee (incl. technical assistance with financial statements)	806 000
Total audit fee	806 000

Note 3 Intangible assets

	Research and development	Total
Acquisition cost 01.01	97 494 847	97 494 847
Additions	10 373 685	10 373 685
Disposals	0	0
Acquisition cost 31.12	107 868 532	107 868 532
Acc. depreciation/impairment 31.12	-83 863 232	-83 863 232
Book value 31.12	24 005 300	24 005 301

Amortisation in the year 12 044 190 12 044 190

Amortisation plan Linear
Economic useful life 3 years

Research and development (R&D) is a highly important component of innovation. The company invests substantial resources in research and development to enhance the applications and technology infrastructure, develop new features, conduct quality assurance testing and improve the core technology. The company expects to continue to expand capabilities of the technology in the future, and to invest significantly in continued research and development efforts. These activities are highly integrated, and there is often no clear distinction between them, making it difficult to assess whether the activities are maintenance, research, or development. In 2023 NOK 4 774 196 were expensed R&D costs.



Notes to the financial statements 2023

Note 4 Fixed assets	Leasehold improvements	Equipment, fixtures & fittings & other movables	Total
Acquisition cost 01.01	340 799	11 426 423	11 767 222
Additions	0	146 140	146 140
Disposals	0	0	0
Acquisition cost 31.12	340 799	11 572 563	11 913 362
Acc. depreciation/ impairment 31.12	-239 620	-11 367 868	-11 607 488
Book value 31.12	101 178	204 695	305 873
Depreciation in the year	68 160	396 509	464 669
Depreciation plan	Linear	Linear	
Economic useful life	5 years	3 years	

Note 5 Related party transactions

Related-party transactions:	2023	2022
Sales of services:		
Piano Software, Inc	8 301 589	13 047 241
Piano Japan Co., LTD	36 165 559	30 555 469
Total sales of services to related parties	44 467 148	43 602 710
Purchase of services:		
Piano Software, Inc	3 368 087	5 642 643
Total purchase of services from related parties	3 368 087	5 642 643
Intercompany interest cost		
Piano Software, Inc	0	229 306
Piano Japan Co., LTD	548 774	471 632
Total interest cost from group companies	548 774	700 938

Remuneration to senior executives is disclosed in note 2, for intercompany balances see note 10.

Note 6 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries are booked according to the cost method.

Company	Location	Ownership/ voting rights	Annual net profit / loss	Equity pr. 31.12
Piano Co. Ltd Japan	Japan	100 %	3 097 576	-6 022 121

The company is not the ultimate parent company in the group, and have consequently not prepared consolidated financial statements. This is prepared by Piano Software Inc.



Notes to the financial statements 2023

Note 7 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Withholding tax abroad	422 664	626 402
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	422 664	626 402
Taxable income:		
Profit before tax	6 618 006	4 286 410
Permanent differences	-3 663 297	-3 957 720
Changes in temporary differences	3 732 672	-3 959 494
Allocation of loss to be brought forward	-6 687 380	0
Taxable income	0	-3 630 803
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences:

	2023	2022	Difference
Tangible assets	-6 223 852	-14 324 152	-8 100 300
Accounts receivable	-11 832 972	0	11 832 972
Total	-18 056 824	-14 324 152	3 732 672
Accumulated loss to be brought forward	-651 472 194	-658 159 574	-6 687 380
Not included in the deferred tax calculation	669 529 018	672 483 726	2 954 708
Deferred tax assets (22 %)	0	0	0

Deferred tax not included in the balance sheet.

Note 8 Equity

	Share capital	Uncovered loss	Total equity
Equity 01.01.2023	109 732 595	-18 405 664	91 326 930
Annual net profit/loss		6 195 342	6 195 342
Equity 31.12.2023	109 732 595	-12 210 322	97 522 272

Note 9 Grants

In 2023, Norsk Forskningsråd provided a grant of NOK 4 057 558 to Piano Software NUF, for two development projects relating to the development of technology for optimization of platform. This SkatteFUNN R&D tax incentive scheme is a government program designed to stimulate research and development (R&D) in Norwegian trade and industry.

The total project expenses were NOK 21 355 565 in 2023, where NOK 16 581 369 was capitalized. SkatteFUNN is booked using the net method, hence the 19% of the capitalized amount is booked as short term receivables.



Notes to the financial statements 2023

Note 10 Intercompany balances

Receivables	2023	2022
Piano Software, Inc	30 685 541	7 314 284
Cxence, Inc	0	11 580 378
Piano Japan Co., LTD	132 875 332	109 756 431
Total receivables	163 560 873	128 651 092

Liabilities	2023	2022
Piano Japan Co., LTD	-76 820 587	-53 949 252
Maxifier Ltd	0	-195 693
Piano Software, Inc	0	-6 436 203
Total liabilities	-76 820 587	-60 581 148

The receivable from Cxence, Inc. has been written down by NOK 11 580 378.

The liability to Piano Japan Co., LTD is a loan, and has an annual rate of LIBOR + 1%.

Note 11 Trade debtors

Trade debtors are recorded in the balance sheet at nominal value, less expected losses on debt.

A loss of NOK 0 in trade debtors was recognized in 2023.

	2023	2022
Trade debtors nominal value	6 749 187	9 294 806
Bad debts provision	339 521	0
Trade debtors in the balance sheet	6 409 667	9 294 806

Note 12 Restricted bank deposits, cash in hand etc.

	2023	2022
Restricted funds deposited in the tax deduction account	979 879	1 713 502



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BOARD OF DIRECTORS' REPORT 2022 FOR PIANO SOFTWARE NORWAY

Piano provides software as a service ("SaaS") with operations in the United States and internationally and currently predominately sells to media customers globally. Piano's software enables customers to create customized digital experiences for users, restrict and sell access to content online, and analyze user behavior to drive engagement, loyalty, and revenue.

Piano's core customers are various types of publishers optimizing their operations and digital platforms. Piano has built tools that make it easy for media companies to market, sell, and fulfill their content across any channel their audience desires.

Piano Software Norway NUF ("PSN") is Piano's Norwegian branch, mainly serving European clients of the business. In 2023, despite international tensions and morose global economy, growth returned after several years of post COVID challenges. The company recorded revenues of NOK 106 million compared to NOK 90 million in the prior year and operating expenses of NOK 97.4 million compared to NOK 89.7 million in 2022.

The board would like to thank all employees for their great contribution throughout the year.

Comments related to the financial statements

In 2023, the company's revenues were NOK 106 million, up from NOK 90 million in 2022, operating profit was NOK 8.2 million, up from NOK 677 thousand in 2022 and net income was NOK 6 million, up from NOK 4 million in the prior year. Personnel expenses slightly decreased to NOK 26 million compared to NOK 29 million in 2022.

Cost of sales, largely related to the purchase of services, including hosting, amounted to NOK 37.8 million, up from NOK 34.9 million in 2022, mainly due increases related to additional usage of the platform.

During 2023 research and development costs amounted to NOK 21 million, same as in the prior period. NOK 10 million was capitalized compared to NOK 15 million capitalized in 2022. Piano received a government grant of NOK 4 million (Skattefunn) in 2023, same amount as in 2022.

Total assets at the end of 2023 amounted to NOK 205 million compared to NOK 179 million in 2022, mostly due to increased accounts receivables from group companies. Trade receivables were NOK 6.4 million at the end of 2023 compared to NOK 9 million at the end of the prior year.

Total equity at the end of 2023 was NOK 98 million in comparison with NOK 91 million in 2022 with a year-end cash position at 10 million NOK versus NOK 5.5 million at the end of 2022.

Current liabilities at the end of 2023 were NOK 31 million compared to NOK 27 million and total non-current liabilities were NOK 77 million compared to NOK 60.6 million in the prior year. The increase is due to additional liabilities to group companies.

Net cash flow used in operating activities was negative NOK 1.1 million compared to negative NOK 13.6 million in 2022. The net cash flow from investing activities was negative NOK 10.5 million in 2023 compared to negative NOK 15.5 million in the prior year, which mostly represent capitalized R&D. Net cash flow from financing was NOK 16.2 million compared to NOK 27.9 million in 2022, mostly related to shareholder contributions during the year.



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Future challenges

While Piano sees an increased demand for its products in the publishing industry, the company continues its work to diversify and gain access to new verticals by investing in customization of its offering, tailoring the products to several new domains of activities.

Operations are affected by increased competition, mainly from international players. Piano relies on its technology, products and supporting functions to be the best alternative for our clients.

The company faces risks due to currency fluctuations, invoicing most of its clients in USD and EUR, paying suppliers in USD and EUR, while most of the employee-related expenses are in NOK. Price increases from suppliers abroad and increased R&D spend can only partially be transferred to our clients; most contracts have autorenewal clauses without fixed price increases.

Piano's forecasts are subject to the normal uncertainty that characterizes considerations of future events. In the short term, the Piano companies and the Norwegian branch will focus on R&D investments to diversify the verticals in which we operate, continue the integration of the acquired businesses in Piano while also growing the customer base towards profitability.

Financial risk

Overall view on objectives and strategy

Piano bases risk management on the principle that risk evaluation is integral to all business activities. As a technology company with global operations, Piano is exposed to various risk factors of financial and operational nature. These factors can affect the company's business activities and financial position. The board of Piano prioritized risk management and had established routines and policies to limit overall risk exposure.

Market risk

Piano's markets are undergoing rapid technological change. The company's future success will depend on its ability to meet the changing needs of the publishing industry, develop new technologies that address the increasingly sophisticated and varied needs of prospective customers, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely manner.

Liquidity and credit risk

The continued funding of the Piano Software Norway operations is done as part of the Piano companies financial structure. Piano Software Norway is exposed to customer-related credit risk, i.e. risk related to the financial strength and characteristics of its customers. There is always a risk of loss on accounts receivable from customers and reduced sales to customers if they face liquidity challenges.



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Going concern

In accordance with the Accounting Act § 3-3a, the board confirms that the financial statements of the company have been prepared under the assumption of going concern. The board is confident that the company is well positioned to continue in operational existence, based on the current balance sheet, revenue forecast, and projected expenses as part of the Piano consolidated companies. This assumption is based on profit forecasts for the year 2023 and the company's long-term strategic forecasts. The company's economic and financial position is sound.

Allocation of net income

The Board of Directors has proposed the net income of to be attributed to Uncovered loss to strengthen the equity position of the company.

The working environment and the employees

In 2023 Piano continued to have a very limited number of absences due to sickness. Leave of absence due to illness totaled 56 days, slightly up from 39 days in 2022, approximately 0,6% of the total working hours in the company. The work environment is considered to be good.

No incidents or reporting of work-related accidents resulting in material damage or personal injury occurred during the year.

EMPLOYEES, CORPORATE SOCIAL RESPONSIBILITY AND THE ENVIRONMENT

Piano aspires to contribute to sustainable development by striking a good balance between financial results, value creation, sustainability, and corporate social responsibility (CSR). Piano is committed to operating the business in a manner that is respectful of people, the communities in which we operate, and the environment we all treasure.

This is achieved by specific initiative of sponsoring opportunities for our staff to volunteer their time to advance the important causes of local philanthropic organizations. The company is providing our expertise and software in the service of under-resourced, non-profit, mission-driven organizations, working with similarly minded, ethically oriented, and, where possible, community-centered businesses.

Piano is committed to reduce its environmental impact and continually improve its environmental performance, as an integral and fundamental part of its business strategy and operations. Piano's operations result in minimal pollution of the natural environment. The company practices recycling of paper at its offices.

Equal opportunities and discrimination



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Equal Opportunity, Anti-Harassment, and Complaint Process

We strive to make Piano an inclusive environment where everybody is respected. Discrimination, harassment or bullying of any form will not be tolerated.

Equal employment opportunity statement

Piano provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran in accordance with applicable federal, state and local laws. Piano complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

Piano expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, national origin, age, genetic information, disability or veteran status. Improper interference with the ability of Piano employees to perform their expected job duties is absolutely not tolerated.

As a company with global operations, Piano aims to engage employees deriving from a variety of nationalities and cultural backgrounds, as long as they have the right competence and experience for the job.

Anti-harassment policy

Piano is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, Piano expects that all relationships among persons in the office will be business-like and free of bias, prejudice, and harassment.

It is the policy of Piano to ensure equal employment opportunity without discrimination or harassment based on race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran. Piano prohibits any such discrimination or harassment.

Piano encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of Piano to promptly and thoroughly investigate such reports. Piano prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

Piano recognizes that formal guidelines are only a starting point for establishing and maintaining sound business ethics throughout the company. Emphasizing ethical conduct is a management responsibility, and the company's ethical standards will further evolve over time, as vigilance and monitoring between colleagues clarify issues, lead to discussion, and direct attention to activities and issues which pose challenges.

Piano Software Norway

Page 4



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Anti-Bribery and Anti-Corruption Policy

Piano Software observes and upholds a zero-tolerance position on bribery and corruption. The anti-bribery and anti-corruption policy exists to set out the responsibilities of Piano Software and act as a source of information and guidance to those who work for us. It helps them recognize and deal with bribery and corruption issues, as well as understand their responsibilities.

Piano Software is committed to conducting business in an ethical and honest manner and is committed to implementing and enforcing systems that ensure bribery is prevented. Piano Software has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the country we operate.

Piano Software will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which we operate. We are bound by the laws of the US and UK, including The Foreign Corrupt Practices Act of 1977 (FCPA), Bribery Act 2010 and the Norwegian penal code, and has, over the years, given significant attention to preventing corruption and bribery.

Going forward, the company will continue its strong focus on compliance with anti-corruption efforts, and to maintain a high level of relevant training in the organization.

Training and communication

Piano Software will provide training on these policies as part of the introduction process for all new employees. Employees will also receive regular, relevant training on how to adhere to policies, and will be asked annually to formally accept that they will comply with them.

Piano Software's anti-bribery and anti-corruption policy and zero-tolerance attitude will be clearly communicated to all suppliers, contractors, business partners, and any third parties at the outset of business relations, and as appropriate thereafter.

Piano Software will provide relevant anti-bribery and corruption training to employees etc. where we feel their knowledge of how to comply with the FCPA or Bribery Act needs to be enhanced.

Insurance for board members

Piano Software board members and management team are insured through National Partners.

DocuSigned by:

107E971CAACA449...
28 February 2025
Alexander Johann Franta
General Manager
Oslo

Signed by:

0431A6115251406...
28 February 2025
Carlos Gomes
General Manager
Oslo



Bygdøy allé 2
Postboks 1704 Vika
0121 Oslo
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Independent Auditor`s Report

To the owners of Piano Software Norway

Opinion

We have audited the financial statements of Piano Software Norway.

The financial statements comprise:

- The balance sheet as at 31 December 2023
- The income statement for 2023
- Statement of cash flows for the year that ended 31 December 2023
- Notes to the financial statements, including a summary of significant accounting policies

In our opinion:

- The financial statements comply with applicable statutory requirements, and
- 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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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.

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

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.

Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.



Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

Other Matters

The Company's financial statements have been prepared after the statutory deadline for presenting financial statements.

BDO AS

Frode Giling
State Authorised Public Accountant
(This document is signed electronically)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Gilling, Frode

Partner

På vegne av: BDO AS

Serienummer: no_bankid:9578-5997-4-1488700

IP: 188.95.xxx.xxx

2025-03-12 18:12:26 UTC



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Skatteetaten

Vår dato
23.07.2021

Din/Deres dato
07.07.2021

Saksbehandler
Vibeke Horne

800 80 000
Skatteetaten.no

Din/Deres referanse
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Telefon
90518192

Org.nr
974761076

Vår referanse
2021/6102338

Postadresse
Postboks 9200 Grønland
0134 OSLO

U.off.

PIANO SOFTWARE NORWAY
Drammensveien 165
0277 OSLO

Att. Julie Holter-Sørensen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Piano Software Norway, org.nr. 923 967 850

Vi viser til deres brev av 7. juli 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Piano Software Norway. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Piano Software Norway dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Piano Software Norway er en filial av et utenlandsk selskap som er en del av et internasjonalt konsern. Selskapet er et software-selskap som tilbyr digitale verktøy med formål om å målrettet treffe rette segmenter gjennom annonsering, markedsføring og salg. Klientporteføljen består av store medieselskap i både Norge og utlandet, og alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker engelsk.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører



kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er en filial av et utenlandsk selskap og er en del av et internasjonalt konsern. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

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Financial statements 2023

Piano Software NUF

Organization number: 923 967 850



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Income statement

Piano Software NUF

Operating income and operating expenses	Note	2023	2022
Sales revenue	1	105 595 410	90 429 390
Total income		105 595 410	90 429 390
Cost of sales		37 758 002	34 993 202
Employee benefits expense	2	26 155 910	29 166 360
Depreciation and amortization	3, 4	12 508 859	14 021 867
Other expenses	2, 5	20 983 220	11 571 278
Total expenses		97 405 990	89 752 707
Operating profit/loss		8 189 419	676 683
Financial income and expenses			
Other interest income		75 131	30 320
Other financial income		0	4 383 506
Interest expense to group companies	5	548 774	700 938
Other interest expenses		23 215	27 816
Other financial expenses		1 074 556	75 346
Net financial items		-1 571 414	3 609 727
Profit before tax		6 618 006	4 286 410
Tax expense	7	422 664	626 402
Profit for the year		6 195 342	3 660 008
Allocation of profit for the year			
Other equity		6 195 342	3 660 008
Total brought forward	8	6 195 342	3 660 008



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Balance sheet Piano Software NUF

Assets	Note	2023	2022
Non-current assets			
Development	3, 9	23 627 346	25 675 805
Total intangible assets		23 627 346	25 675 805
Equipment, fixtures and fittings and other movables	4	305 873	624 402
Total property, plant and equipment		305 873	624 402
Investments in subsidiaries	6	2 228 851	2 228 851
Other long-term receivables		1 668 402	1 656 553
Total non-current financial assets		3 897 253	3 885 404
Total non-current assets		27 830 472	30 185 610
Current assets			
Accounts receivable	11	6 409 667	9 294 806
Accounts receivable from group companies	10	151 727 901	128 651 092
Other short-term receivables	9	9 126 415	5 405 117
Total receivables		167 263 983	143 351 016
Bank deposits, cash and cash equivalents	12	10 028 274	5 497 163
Total bank deposits, cash and cash equivalents		10 028 274	5 497 163
Total current assets		177 292 257	148 848 179
Total assets		205 122 729	179 033 789



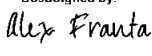
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Balance sheet
Piano Software NUF

Equity and liabilities	Note	2023	2022
Equity			
Other equity	8	97 522 273	91 326 931
Total retained earnings		97 522 273	91 326 931
Total equity		97 522 273	91 326 931
Liabilities			
Liabilities to group companies	10	76 820 587	60 581 148
Total non-current liabilities		76 820 587	60 581 148
Deferred revenue		19 726 679	13 526 991
Trade payables		6 519 810	6 809 332
Public duties payable		1 925 724	2 791 408
Other current liabilities		2 607 657	3 997 980
Total current liabilities		30 779 869	27 125 710
Total liabilities		107 600 456	87 706 858
Total equity and liabilities		205 122 729	179 033 789

Oslo, 10/03/2025

The board of Piano Software NUF

DocuSigned by:

107E971CAACA449...
Alexander Johann Franta
general Manager

Signed by:

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Timothy Richard Dirrenberger
general Manager



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Cash flow statement

Piano Software NUF

	Note	2023	2022
Cash flows from operating activities			
Profit/loss before tax	8	6 618 006	4 286 410
Depreciation and amortization	3, 4	12 508 859	14 021 867
Change in accounts receivable		2 885 139	-1 220 077
Change in accounts payable		-289 522	3 162 240
Changes in intercompany accounts receivables		-23 076 809	-36 889 844
Change in other accrual items		210 534	3 011 087
Net cash flows from operating activities		-1 143 793	-13 628 317
Cash flows from investment activities			
Payments to buy tangible assets	4	-146 140	-184 718
Payment of intangible assets	3	-10 373 685	-15 342 188
Net cash flows from investment activities		-10 519 825	-15 526 906
Cash flows from financing activities			
Proceeds from shareholder contributions		16 239 439	27 896 738
Net cash flows from financing activities		16 239 439	27 896 738
Net change in cash and cash equivalents		4 575 821	-1 258 485
Cash and cash equivalents at the start of the period		5 497 163	6 755 648
Cash and cash equivalents at the end of the period	12	10 072 984	5 497 163



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Notes to the financial statements 2023

Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Revenue

Income from sale of services are recognised at fair value, net after deduction of VAT, returns, discounts and reductions.

Revenue from the use of the technological platforms is recognized in the month the service is provided. Revenue is based on fixed monthly software fees and/or royalty payments dependent on platform utilization. There are few difficult judgements in determining the amount of revenue.

Revenue received from advertisers, and costs incurred from advertising agencies and publishers are presented gross, which reflects that the company does have separate transactions with separate counterparty risks. That is, the company does not act only as an agent in these transactions.

Revenue from royalty and management service fee are recognized monthly based on percentages of the counterparties gross revenue on each and every sale and allocation of direct and indirect costs incurred the period by the company.

Classification and assessment of balance sheet items

Assets intended for long-term ownership or use have been classified as fixed assets. Assets relating to the operating cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year of the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Intangible assets

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs is amortized linearly over its useful life. Research costs are expensed as incurred.

Fixed assets

Tangible fixed assets are capitalised and depreciated linearly down to the residual value over the expected useful economic life of the assets. Maintenance of operating equipment is expensed on an ongoing basis. Upgrades or improvements are added to the acquisition cost of the asset and depreciated in line with the asset. The difference between maintenance and upgrade / improvement is assessed based on the condition of the asset when purchased. Plots and land are not depreciated.

Costs related to leases of fixed assets are expensed over the lease period. Prepayments are reflected in the balance sheet as a prepaid expense, and are distributed over the rental period.

Impairment of fixed assets

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent ingoing cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use.

Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.



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Notes to the financial statements 2023

Investments in other companies

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends from other companies are reflected as financial income when the dividends are approved.

Receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Pensions

With a defined contribution plan the company pays contributions to an insurance company. The contribution is recognised as payroll expenses in the period to which the contribution relates to.

Tax

The tax charge in the income statement consists of tax payable and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset and netted.

Foreign currencies translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Exchange gains and losses associated with services provided and services purchases in foreign currency are recorded as revenue and costs of materials.

Warranties, service and complaints

Provision for warranties and service work for completed projects / sales is recorded at the expected cost of such work. The estimate is based on historical figures for service and warranty repairs. The amount is recorded under other current liabilities and is recognised in the income statement on a straight-line basis over the warranty and service period.

Cash flow statement

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



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Notes to the financial statements 2023

Note 1 Operating income

Activity distribution	2023
Sales revenue	61 128 262
Licence income, intercompany	8 301 589
Royalty income, intercompany	19 687 352
Other operating income	0
Other operating income, intercompany	16 478 207
Total	105 595 410

Geographical distribution	2023
EMEA	61 128 262
USA	8 301 589
Japan	36 165 559
Total	105 595 410



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Notes to the financial statements 2023

Note 2 Personnel expenses, number of employees, remuneration, loan to employees

Payroll expenses	2023	2022
Salaries/wages	20 646 696	24 746 154
Social security fees	3 529 251	3 804 681
Pension expenses	595 315	625 923
Other remuneration	1 384 648	-10 398
Total	26 155 910	29 166 360

Average number of employees during the accounting year 18 21

OTP (Statutory occupational pension)

The company is required to have a pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension scheme meets the requirement of this law.

Expensed audit fee

Expenses paid to the auditor for 2023 amounts to NOK 844 510,- excl. VAT.

Statutory audit fee (incl. technical assistance with financial statements)	806 000
Total audit fee	806 000

Note 3 Intangible assets

	Research and development	Total
Acquisition cost 01.01	97 494 847	97 494 847
Additions	10 373 685	10 373 685
Disposals	0	0
Acquisition cost 31.12	107 868 532	107 868 532
Acc. depreciation/impairment 31.12	-83 863 232	-83 863 232
Book value 31.12	24 005 300	24 005 301

Amortisation in the year 12 044 190 12 044 190

Amortisation plan Linear
Economic useful life 3 years

Research and development (R&D) is a highly important component of innovation. The company invests substantial resources in research and development to enhance the applications and technology infrastructure, develop new features, conduct quality assurance testing and improve the core technology. The company expects to continue to expand capabilities of the technology in the future, and to invest significantly in continued research and development efforts. These activities are highly integrated, and there is often no clear distinction between them, making it difficult to assess whether the activities are maintenance, research, or development. In 2023 NOK 4 774 196 were expensed R&D costs.



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Notes to the financial statements 2023

Note 4 Fixed assets	Leasehold improvements	Equipment, fixtures & fittings & other movables	Total
Acquisition cost 01.01	340 799	11 426 423	11 767 222
Additions	0	146 140	146 140
Disposals	0	0	0
Acquisition cost 31.12	340 799	11 572 563	11 913 362
Acc. depreciation/ impairment 31.12	-239 620	-11 367 868	-11 607 488
Book value 31.12	101 178	204 695	305 873
Depreciation in the year	68 160	396 509	464 669
Depreciation plan	Linear	Linear	
Economic useful life	5 years	3 years	

Note 5 Related party transactions

Related-party transactions:	2023	2022
Sales of services:		
Piano Software, Inc	8 301 589	13 047 241
Piano Japan Co., LTD	36 165 559	30 555 469
Total sales of services to related parties	44 467 148	43 602 710
Purchase of services:		
Piano Software, Inc	3 368 087	5 642 643
Total purchase of services from related parties	3 368 087	5 642 643
Intercompany interest cost		
Piano Software, Inc	0	229 306
Piano Japan Co., LTD	548 774	471 632
Total interest cost from group companies	548 774	700 938

Remuneration to senior executives is disclosed in note 2, for intercompany balances see note 10.

Note 6 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries are booked according to the cost method.

Company	Location	Ownership/ voting rights	Annual net profit / loss	Equity pr. 31.12
Piano Co. Ltd Japan	Japan	100 %	3 097 576	-6 022 121

The company is not the ultimate parent company in the group, and have consequently not prepared consolidated financial statements. This is prepared by Piano Software Inc.



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Notes to the financial statements 2023

Note 7 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Withholding tax abroad	422 664	626 402
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	422 664	626 402
Taxable income:		
Profit before tax	6 618 006	4 286 410
Permanent differences	-3 663 297	-3 957 720
Changes in temporary differences	3 732 672	-3 959 494
Allocation of loss to be brought forward	-6 687 380	0
Taxable income	0	-3 630 803
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences:

	2023	2022	Difference
Tangible assets	-6 223 852	-14 324 152	-8 100 300
Accounts receivable	-11 832 972	0	11 832 972
Total	-18 056 824	-14 324 152	3 732 672
Accumulated loss to be brought forward	-651 472 194	-658 159 574	-6 687 380
Not included in the deferred tax calculation	669 529 018	672 483 726	2 954 708
Deferred tax assets (22 %)	0	0	0

Deferred tax not included in the balance sheet.

Note 8 Equity

	Share capital	Uncovered loss	Total equity
Equity 01.01.2023	109 732 595	-18 405 664	91 326 930
Annual net profit/loss		6 195 342	6 195 342
Equity 31.12.2023	109 732 595	-12 210 322	97 522 272

Note 9 Grants

In 2023, Norsk Forskningsråd provided a grant of NOK 4 057 558 to Piano Software NUF, for two development projects relating to the development of technology for optimization of platform. This SkatteFUNN R&D tax incentive scheme is a government program designed to stimulate research and development (R&D) in Norwegian trade and industry.

The total project expenses were NOK 21 355 565 in 2023, where NOK 16 581 369 was capitalized. SkatteFUNN is booked using the net method, hence the 19% of the capitalized amount is booked as short term receivables.



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Notes to the financial statements 2023

Note 10 Intercompany balances

Receivables	2023	2022
Piano Software, Inc	30 685 541	7 314 284
Cxence, Inc	0	11 580 378
Piano Japan Co., LTD	132 875 332	109 756 431
Total receivables	163 560 873	128 651 092
Liabilities	2023	2022
Piano Japan Co., LTD	-76 820 587	-53 949 252
Maxifier Ltd	0	-195 693
Piano Software, Inc	0	-6 436 203
Total liabilities	-76 820 587	-60 581 148

The receivable from Cxence, Inc. has been written down by NOK 11 580 378.

The liability to Piano Japan Co., LTD is a loan, and has an annual rate of LIBOR + 1%.

Note 11 Trade debtors

Trade debtors are recorded in the balance sheet at nominal value, less expected losses on debt.

A loss of NOK 0 in trade debtors was recognized in 2023.

	2023	2022
Trade debtors nominal value	6 749 187	9 294 806
Bad debts provision	339 521	0
Trade debtors in the balance sheet	6 409 667	9 294 806

Note 12 Restricted bank deposits, cash in hand etc.

	2023	2022
Restricted funds deposited in the tax deduction account	979 879	1 713 502