



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	988 054 313
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	CSAM HEALTH AS
Forretningsadresse:	Drammensveien 288 0283 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2020 - 31.12.2020
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	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:	Einar Tørris Bonnevie
Dato for fastsettelse av årsregnskapet:	25.06.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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, 27.08.2021



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		101 103 167	74 732 671
Annen driftsinntekt		706 080	50 749 366
Sum inntekter		101 809 247	125 482 037
Kostnader			
Varekostnad		7 817 451	10 354 942
Lønnskostnad		39 922 609	27 478 564
Avskrivning av driftsmidler og immaterielle eiendeler		4 823 284	11 410 977
Annen driftskostnad		30 195 054	24 390 251
Sum kostnader		82 758 399	73 634 733
Driftsresultat		19 050 849	51 847 303
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		11 416 095	8 120 831
Annen renteinntekt		33 176	20 855
Annen finansinntekt		7 109 485	6 993 516
Sum finansinntekter		18 558 756	15 135 202
Rentekostnad til foretak i samme konsern		6 552 365	5 030 622
Annen rentekostnad		18 246 334	15 931 251
Annen finanskostnad		15 861 113	7 966 767
Sum finanskostnader		40 659 813	28 928 639
Netto finans		-22 101 057	-13 793 437
Ordinært resultat før skattekostnad		-3 050 208	38 053 866
Skattekostnad på ordinært resultat		-1 536 219	8 726 430
Ordinært resultat etter skattekostnad		-1 513 989	29 327 436
Årsresultat		-1 513 989	29 327 436
Årsresultat etter minoritetsinteresser		-1 513 989	29 327 436



Resultatregnskap

Beløp i: NOK	Note	2020	2019
Totalresultat		-1 513 989	29 327 436
Overføringer og disponeringer			
Udekket tap		-1 513 989	
Overført fra annen egenkapital			29 327 436
Sum overføringer og disponeringer		-1 513 989	29 327 436



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter o.l.		18 608 628	15 122 642
Utsatt skattefordel		15 404 169	13 867 950
Goodwill		4 375 000	5 875 000
Sum immaterielle eiendeler		38 387 797	34 865 592
Varige driftsmidler			
Driftsløsøre, inventar o.a. utstyr		1 474 869	670 215
Sum varige driftsmidler		1 474 869	670 215
Finansielle anleggsmidler			
Investering i datterselskap		171 724 740	121 147 997
Andre langsiktige fordringer		78 721 432	71 080 300
Sum finansielle anleggsmidler		250 446 172	192 228 297
Sum anleggsmidler		290 308 837	227 764 105
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		15 218 659	13 616 321
Andre kortsiktige fordringer		6 352 232	6 004 500
Konsernfordringer		38 651 945	36 316 651
Sum fordringer		60 222 836	55 937 472
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.		15 265 802	2 075 690
Sum bankinnskudd, kontanter og lignende		15 265 802	2 075 690
Sum omløpsmidler		75 488 638	58 013 162
SUM EIENDELER		365 797 475	285 777 267



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital		2 000 000	2 000 000
Overkurs		31 000 000	31 000 000
Annen innskutt egenkapital		3 520 363	21 546 219
Sum innskutt egenkapital		36 520 363	54 546 219
Opptjent egenkapital			
Annen egenkapital			29 327 436
Udekket tap			45 839 303
Sum opptjent egenkapital			-16 511 867
Sum egenkapital		36 520 363	38 034 352
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner			126 102 149
Sum annen langsiktig gjeld			126 102 149
Sum langsiktig gjeld		0	126 102 149
Kortsiktig gjeld			
Konvertible lån		281 902 724	53 185 631
Sertifikatlån			17 268 716
Leverandørgjeld		1 609 022	1 826 125
Skyldig offentlige avgifter		8 648 204	8 461 307
Annen kortsiktig gjeld		37 117 163	40 898 987
Sum kortsiktig gjeld		329 277 113	121 640 766
Sum gjeld		329 277 113	247 742 915
SUM EGENKAPITAL OG GJELD		365 797 475	285 777 267



Skatteetaten

Vår dato 11.02.2019	Din/Deres dato 17.12.2018	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Einar Bonnevie	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5205298	Postadresse Postboks 9200 Grønland 0134 OSLO

CSAM INVEST AS
Postboks 318
1326 LYSAKER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 17. desember 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

CSAM Invest AS	org.nr. 988 138 833
CSAM Health AS	org.nr. 988 054 313

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

CSAM Invest AS er morselskap til CSAM Health AS. CSAM Invest AS sin største indirekte aksjonær er et utenlandsk private equity-fond hvor rapporteringen er på engelsk. De øvrige eierne ønsker også at regnskapsrapporteringen skal være på engelsk. Framtidige eiere når private equity-fondet går ut av sin investering, er også forventet å være utenlandske som følge av at selskapet i stor grad opererer internasjonalt. Datterselskapene er lokalisert i Sverige, Finland, England og Filippinene, og rapportering på engelsk vil også være viktig for at datterselskapene skal kunne forstå rapporteringen. Konsernet tilbyr programmeringstjenester. Selskapet opererer i sektorer, der engelsk er det klart dominerende språket. All kommunikasjon med selskapets primære kunder og kreditorer foregår på engelsk.

Skattedirektoratets 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 m.v., 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 Skattedirektoratets 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet har en begrenset eierkrets. Virksomheten er internasjonal og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Henning Stokke
seniorrådgiver
Juridisk avdeling
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



RSM Norge AS

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To the General Meeting of CSAM Health AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CSAM Health AS showing a loss of NOK 1 514 000. The financial statements comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, 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 information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av / is a member of Den norske Revisorforening.



Independent Auditor's Report 2020 for CSAM Health AS



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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 30 June 2021

RSM Norge AS

Vidar Haugen

State Authorised Public Accountant



HOUSE OF
CONTROL

CH 2020 Annual repo

Signers:

<i>Name/Phone</i>	<i>Method</i>	<i>Date</i>
Michelet, Åse Aulie	BANKID_MOBILE	2021-06-28 09:10
LOUISE NILSSON	BANKID	2021-06-28 14:19
Mats Ivar Larson	BANKID	2021-06-28 11:38
MATS HJERPE	BANKID	2021-06-29 16:38
Gabrielsen, Ansgar	BANKID_MOBILE	2021-06-28 10:56
Flatby, Sverre	BANKID_MOBILE	2021-06-28 10:14
Borgmo, Kjellrun	BANKID_MOBILE	2021-06-28 12:19

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The board's annual report 2020 for CSAM Health AS

1.1.2020 – 31.12.2020

Org nr 988 054 313

The leading provider of niche eHealth solutions in the Nordics

CSAM's mission is to enable excellent healthcare by providing innovative niche software.

CSAM has established itself as a leading Nordic-based niche player in the specialised eHealth market, with a unique blend of best-in-class innovative technology, and outstanding human skills. Our leading product portfolio includes innovative solutions in connected healthcare, medical imaging, women and children's health, emergency and acute care, medication management, and laboratory information management systems.

CSAMs is first and foremost a Software company. Some consultancy services are provided to customers in conjunction with installation, training and integration in the customer's operating environment. In addition, there are some sales of specialised hardware used to run CSAM's software, such as special tablets used in ambulances.

CSAM has grown fast and uninterrupted over the last five years as a combination of organic growth and acquisitions. As one of the only Nordic market consolidators focused on specialised software solutions, CSAM has built a robust platform for continued growth with our M&A strategy. Our active M&A strategy forms a critical part of our value-creation and growth strategy. Acquisition targets are carefully selected based on a clear strategic fit, and fully integrated into one CSAM organisation with our unique Buy, Integrate and Build (BIB) model.

The group of companies

The CSAM Health AS group includes the companies CSAM Arcid AS, CSAM Denmark A/S, CSAM Finland Oy, CSAM Kibi Finland Oy, CSAM Sweden AB, CSAM Fertsoft AB, CSAM Prosang AB, CSAM Karlstad AB, CSAM (UK) Ltd and CSAM Health UK Ltd and CSAM Philippines Inc. The companies in the UK are primarily responsible for sales activity. The operations in the Philippines consists of group-experts in eHealth with many years of experience in development, testing and quality assurance. CSAM Arcid has its prime location in Tromsø and delivers solutions within medical imaging and connected healthcare. Furthermore, the subsidiaries CSAM Sweden AB, CSAM Karlstad AB and CSAM Prosang AB, with offices in Stockholm, Karlstad and Gothenburg, are responsible for the sale, development and delivery of the Group's products to the Nordic and European markets. The subsidiaries in Finland have offices in Helsinki, Oulu and Tampere. The companies have joint responsibility for sales and marketing primarily to the Finnish market, but with development and service responsibilities for each product area. The Finnish products are also offered and sold in the other Nordic and European markets, as well as in the UK.

CSAM Health AS has not prepared consolidated financial statements as the Company and its subsidiaries are included in the consolidated financial statements of CSAM Health Group AS. The Annual Financial Statements of CSAM Health Group AS will be published on the Groups



website, and are available on request to CSAM Health Group AS' offices at Sollerud in Oslo municipality.

Markets, products and risks

In 2020, CSAM Health AS and its subsidiaries enjoyed a significant increase in the number of customers in the Nordic countries, both through organic growth and the acquisition of new business. The customers are mainly located in the Nordic markets; Norway (35%), Sweden (32%), Denmark (12%) and Finland (19%). The company also has a footprint in the UK (1%) and some minor installations in other European countries (<1%). The company's technology is the result of innovation at large Nordic hospitals and supports work processes and patient safety within selected clinical disciplines and integration with surrounding regional and national solutions.

Operational and Financial Risks

The Group is exposed to various risks and uncertainties of operational, regulatory, market and financial character. Internal controls and risk management are an integrated part of all CSAM organisational business processes and of achieving the Company's strategic and financial objectives. The below listing highlights what the Company currently regards as the main risk factors but does not in any way constitute a full or complete overview of all risks that the Company may be exposed to. Despite the Group's focus on reducing risks through internal controls and risk management, there will still be risk factors that cannot be adequately handled through preventative measures.

Operational Risks

The Group has a broad customer base, and revenues are rooted in hundreds of contracts with different customers and different products. While this reduces the dependency on specific customer or contract, there is a risk that the Group might fail to accurately forecast its ability to deliver software according to agreed contractual schedule and quality. Professional Services may not be delivered within appropriate quality or timescales or could be implemented poorly and fail to deliver savings to the customers.

If the Group underestimates the cost, complexity or time requirements to deliver on a contractual obligation, it may incur losses in the form of penalties and/or reduced future income. Such delays or failures may have an adverse effect on the Group's business, results of operations and financial conditions, and on its reputation as a trusted provider of high-quality niche software solutions.

The market in which the Company operates is strictly regulated and increasingly so, most importantly through the EU wide MDD/MDR and GDPR regulations. There is a risk that the Company fails to comply with the relevant regulation or that, in spite of rigorous testing before release, the software malfunctions and thus breaches the expectations by its users. This may have negative financial as well as reputational consequences.

**Credit risk:**

The vast majority of CSAMs customers are in the Nordic public sector (implicitly AAA-customers) and credit risk is therefore considered to be very low.

Liquidity risk:

During the second half of 2020, the parent company CSAM Health Group substantially strengthened its financial position through issuance of a 300 mNOK bond loan and through a primary share issue in conjunction with an IPO.

At the end of 2020, the recurring maintenance revenues represent a significant part of total sales, and much of these revenues are for the most part invoiced in advance in line with industry standards. This provides a predictable cash situation. Through its bank, the company also has access to a traditional overdraft facility.

It is not considered to be any other financial risk of significance for assessing assets, liabilities, financial position and earnings beyond what is generally known and common to the industry. The company does not currently use financial hedging instruments.

Financial changes and changes on the ownership side

CSAM Health Group AS owns 100% of the shares in CSAM Health AS per 31 December 2020 and no changes have been made to the ownership side in CSAM Health AS, but the parent company CSAM Health Group AS is now a listed company on Euronext Growth. As part of the IPO, long term Private Equity investor Priveq reduced their holding in the company, along with the original founders.

No write-downs have been made in any product areas in 2020.

Results 2020CSAM Health AS

Operating revenues in 2020 amounted to MNOK 101.8, compared with MNOK 125.5 the year before. The difference is explained by extraordinary income related to intra-group transaction of IP in 2019. The recurring revenue is stable and gradually increasing. Operating expenses amounted to MNOK 82.8 in 2020, compared to MNOK 73.6 in 2019.

Deferred tax assets recognised in the balance sheet are assessed with regard to estimated income and profit expectations for the coming period. Profit for the year after tax shows a loss of MNOK 1.5 against a profit of MNOK 29.3 in 2019.

The Company develops industrial software and capitalises part of the development costs. The development is spread over several products. Total R&D Capex in 2020 amounts to MNOK 6.3. The Company utilises the "Skattefunn"-arrangement, and received MNOK 5.0 in government grants in 2020.



The board is not aware of matters that are important for the assessment of the company's position which are not included in the annual accounts with notes and this report.

The Board of Directors proposes to allocate NOK 0 to dividends and that this year's loss of MNOK 1.5 is booked to other equity. The equity capital at the end of 2020 was MNOK 36.5. The Board confirms that there is a solid basis for continued operations of the company, and confirms, in accordance with Section 3-3a and Section 4-5 of the Accounting Act, that this assumption has been used as a basis for the preparation of the annual accounts.

It is the opinion of the Board that the accounts provide a true and fair view of the company's assets and liabilities, financial position and profit during the period.

Organization and HR

There are 38 FTEs in CSAM Health AS and a total of 168 FTEs in the group at the end of 2020. The proportion of women is 34% in the company and 23% in the group. The board consists of 6 people, three of whom are women. One of the board members is a representative of the employees.

CSAM Health AS has its main office in leased premises at Sollerud in Oslo municipality. The premises are modern and well-adapted for the disabled, with energy class green C. The building has a number of common facilities and adapted activities to promote training. Measures are being systematically implemented to preserve and further develop a good working environment. Absence due to sickness has been 1.8% in the company and 1.8% in the group.

The subsidiary companies in other countries have rented premises of good standard.

No injuries or accidents have occurred in connection with the exercise of the company's activities.

Management works consciously to ensure gender equality and to prevent discrimination in recruitment and in all assessments related to personnel resources. The cooperation with personnel with ethnically and culturally different backgrounds is very good, and there is an active effort to equalize resources in every respect.

Due to the nature of its business, CSAM makes a positive impact on society and citizens by enabling efficient healthcare through its many software solutions.

CSAM Health AS does not pollute the external environment.



Significant events after 31.12.2020

CSAM Health AS' subsidiary CSAM Sweden AB signed an agreement 15. February 2021 to acquire 100% of the shares in Carmenta Public Safety AB, org-nr. 556928-2774. Carmenta Public Safety provides complete software solutions for managing every aspect of emergency response. The company's core products include CoordCom – a comprehensive 112 and emergency response system, and ResQMobile – emergency response software for emergency vehicles. The business is headquartered in Gothenburg, with approximately 50 employees based in Sweden and Spain. Carmenta's Public Safety business is a key complement to CSAM's leading portfolio of emergency and acute solutions, allowing CSAM to offer even more value to new and existing customers in this important domain. The acquisition is based on an agreed enterprise value of 150 MSEK on a cash-free and debt-free basis. The acquisition has been settled in cash. Both signing and closing of the acquisition took place 15 February 2021.

CSAM Sweden signed an agreement to acquire MedSciNet AB org.nr 556563-7674 on May 30th. MedSciNet specializes in custom tailored solutions, design and development of web applications and online database systems for clinical research. Started in 1995 by clinical researchers at the Swedish Karolinska Institute, the company has offices in London, Vilnius, and Stockholm. The Swedish eHealth company offers CTF (Clinical Trial Framework) software-as-a-service, in the form of web-based solutions for clinical trials and studies, quality registries, medical biobanks and other applications for clinical research. MedSciNet products are designed to meet the strict requirements for system integrity, security, and stability that are essential for critical medical research applications in compliance with stringent quality standards of ISO 27000 and ISAE 3402 certification. The acquisition is based on an agreed enterprise value of 24 MSEK on a cash-free and debt-free basis. The acquisition has been settled in cash. Closing of the acquisition took place 31 May 2021.

20. April 2021, the parent company CSAM Health Group AS successfully completed a tap issue of NOK 200 million under the Company's existing senior secured bond with maturity date 25 September 2024 and ISIN NO 0010893738. The tap issue was completed at an issue price of 103.5% of the nominal amount, corresponding to an implied coupon of approximately 3m NIBOR + 390bps. Following settlement, the outstanding amount under the bond will be NOK 500 million.



Oslo, June 25, 2021

Åse Aulie Michelet
Chair of the Board

Mats Larson
Board member

Louise Nilsson
Board member

Mats Hjerpe
Board member

Kjellrun Borgmo
Board member

Ansgar Gabrielsen
Board member

Sverre Flatby
CEO



CSAM Health AS Annual Financial Statements 2020

Org. nr. 988 054 313

Income Statement (NOK 1 000)

	Note	CSAM Health AS 2020	CSAM Health AS 2019
Total sales	6	101 103	75 608
Sale of intangible asset	6	-	48 030
Government grants (Skattefunn)		706	1 844
Total operating income	12	101 809	125 482
Cost of goods and services		7 817	7 878
Personnel expenses	10,13	39 923	27 419
Depreciation of fixed assets	3	548	500
Amortization of goodwill and licenses	2	4 276	10 911
Other operating costs	13,14,18	30 195	26 928
Total operating expenses		82 758	73 635
Operating profit/(loss)		19 051	51 847
Interest received		33	21
Other finance income	15	2 430	1 861
Interest received, group companies		11 416	8 121
Interest expense, group companies		(6 552)	(5 031)
Other interest expenses	16,17	(18 246)	(15 931)
Other finance expenses	16	(11 181)	(2 834)
Net financial items		(22 101)	(13 793)
Profit/(loss) before taxes		(3 050)	38 053
Taxes	11	(1 536)	8 726
Net profit/(loss) for the year	9	(1 514)	29 327



CSAM Health AS
Annual Financial Statements 2020

Org. nr. 988 054 313

Balance sheet (NOK 1 000)

Assets		CSAM Health AS 31.12.2020	CSAM Health AS 31.12.2019
	Note		
<i>Intangibles</i>			
Deferred tax benefit	11	15 404	13 868
Intangible assets	2	18 609	15 123
Goodwill	2	4 375	5 875
Total intangible assets		38 388	34 866
<i>Tangible fixed assets</i>			
Machinery and equipment	3	1 475	670
Total tangible fixed assets		1 475	670
<i>Financial fixed assets</i>			
Shares in subsidiaries	4	171 725	121 149
Long term receivable group companies	6	78 721	71 080
Total financial fixed assets		250 446	192 229
Total fixed assets		290 309	227 765
<i>Current assets</i>			
Accounts receivable		15 219	13 616
Other receivables		5 007	6 005
Group receivables	6	39 997	36 315
Cash and cash equivalents	7	15 266	2 076
Total current assets		75 489	58 012
Total assets		365 797	285 777



Annual Financial Statements 2020 Balance sheet (NOK 1 000)

Equity and liabilities		CSAM Health AS 31.12.2020	CSAM Health AS 31.12.2019
	Note		
<i>Equity</i>			
<i>Paid-in equity</i>			
Share capital	8	2 000	2 000
Share premium reserve	9	31 000	31 000
Other paid-in capital	9	3 520	21 546
Total paid-up equity		36 520	54 546
<i>Retained earnings</i>			
Uncovered loss	9	-	(16 512)
Total retained earnings		-	(16 512)
Total equity	9	36 520	38 034
<i>Long-term liabilities</i>			
Long-term debt to financial institutions	5	-	126 102
Total long-term liabilities		-	126 102
<i>Current liabilities</i>			
Bank overdraft facility			17 269
Accounts payable		1 609	1 826
Public duties		8 648	8 461
Short-term debt to group companies	5, 6	281 903	53 138
Other current liabilities	5	37 117	40 947
Total current liabilities		329 277	121 641
Total equity and liabilities		365 797	285 777

Oslo, 25.06.2021

Sverre Flatby
Chief executive officer (CEO)

Mats Larson
Board Member

Åse Aulie Michelet
Chair of the Board

Kjellrun Borgmo
Board Member

Mats Hjerpe
Board Member

Louise Nilsson
Board Member

Ansgar Gabrielsen
Board Member



CSAM Health AS Financial statements 2020

Org. nr. 988 054 313

Cash flow statement (NOK 1 000)

	CSAM Health AS 2020	CSAM Health AS 2019
Profit/(loss) before taxation	(3 050)	38 053
Net financial items	22 101	13 793
Ordinary depreciation and amortization	4 823	11 411
Sale of intangible asset	-	(48 030)
Changes in accounts receivables	(1 603)	(1 640)
Changes in accounts payables	(217)	351
Changes in other current receivables/liabilities	(2 291)	9 907
Net cash flow from operating activities	19 763	23 845
Sales of immaterial assets		67 000
Purchase of fixed assets and intangibles	(7 616)	(8 495)
Investments in subsidiaries	(50 927)	(16 922)
Received group contribution and dividends		1 525
Net cash flow from investment activities	(58 543)	43 109
Borrowings, non-current liabilities	(126 102)	-
Borrowings, current liabilities		10 022
Net change of group payables/receivables	217 441	(65 830)
Net change in bank overdraft	(17 269)	2 983
Net financial items	(22 101)	(13 793)
Net cash flow from financing activities	51 969	(66 618)
Net change in cash and cash equivalents	13 190	336
Cash and cash equivalents at start of the period	2 076	1 740
Cash and cash equivalents at end of the period	15 266	2 076



CSAM Health AS Annual Financial Statements 2020

Org. nr. 988 054 313

Notes to the financial statements (NOK 1 000)

Note 1 Accounting principles

Ownership and company structure

CSAM Health Group AS owns 100% of the shares in CSAM Health AS.

CSAM Health AS owns 100% of the shares in CSAM Sweden AB, in Sweden.

CSAM Health AS owns 100% of the shares in CSAM Prosang AB, in Sweden.

CSAM Health AS owns 100% of the shares in CSAM Finland Oy, in Finland.

CSAM Health AS owns 100% of the shares in CSAM (UK) Ltd, in England.

CSAM Health AS owns 99.995% of the shares in CSAM Philippines Inc, in the Philippines.

CSAM Health AS owns 100 % of the shares in CSAM Arcid AS, in Norway.

CSAM Health AS owns 100 % of the shares in CSAM Denmark A/S, in Denmark.

CSAM (UK) Ltd owns 100% of the shares in CSAM Health UK Ltd.

CSAM Prosang AB owns 100% the shares in CSAM Karlstad AB.

CSAM Sweden AB owns 100 % of the shares in CSAM Fertsoft AB, which was acquired in 2020.

CSAM Finland Oy owns 100 % of the shares in CSAM Kibi Finland Oy.

Accounting principles

The Annual financial statements, together with consolidated financial statements, have been prepared under the Norwegian accounting act of 1998 and generally accepted accounting principles in Norway.

Subsidiaries/associated companies

Investments made by the parent company in the subsidiary are assessed according to the cost method.

The investment is valued at the acquisition cost of the shares unless a write-down has been necessary.

A write-down to fair value is carried out when the impairment is attributable to causes not deemed to be temporary, and where such action is deemed necessary per generally accepted accounting practice. Write-downs are reversed when the basis for the impairment no longer exists.

Dividends and other distributions are recognized as income in the same year that they are proposed in the subsidiary.

If the dividend exceeds the share of retained earnings after the acquisition, the excess share is deemed to represent repayment of the invested capital, and the distributions are deducted from the value of the investment in the balance sheet.

Use of estimates

When preparing the annual accounts per good accounting practice, the best estimate is used based on the information that is available when annual accounts are presented. Consequently, actual figures may differ from the estimates. The effects of changes in accounting estimates are recognized in the income statement in the period in which the estimate changes. Contingent liabilities which are probable and quantifiable are expensed on an ongoing basis.

The general rule for valuation and classification of assets and liabilities

Assets intended for permanent ownership or long-term use are classified as fixed assets. Other assets are classified as current assets.

Receivables to be repaid within one year are classified as current assets. Similar criteria are used when classifying current and long-term liabilities.

Fixed assets are recorded at acquisition cost with deductions for planned depreciation.

If the fair value of fixed assets is lower than recorded value, and the impairment is not deemed to be temporary, the assets are written down to fair value.

Current assets are valued at the lower of cost and fair value.

Receivables

Trade and other receivables are recognized at nominal value in the balance sheet, reduced by provisions for expected bad debts.

Bad-debt provisions are based on an individual assessment of each receivable.

Foreign currencies

Foreign currency transactions are recognized at the exchange rate on the transaction date.

Balance sheet items in foreign currency are valued at the exchange rate at the end of the financial year.



Intangible assets - licenses

The basis for capitalisation of own licenses is the time elapsed to develop products that are not made for or on behalf of a particular customer.

Capitalised amounts are amortized on a straight-line basis over the period the products estimated economic lifespan.

A product version is amortized from the day the product is considered ready for sale, and one or more customers have approved the installation of the solution.

If there is an indication of a write-down, an impairment test is performed. If the fair value of own licenses is lower than the book value and the impairment is not expected to be temporary, a write-down is made to fair value.

Acquired licenses are amortized over the estimated economic life of the product. If the fair value of acquired licenses is lower than the book value, and the impairment is not expected to be temporary, the license values are written down to fair value.

Financial debt

Loans are recognized at fair value when the payment of the loan takes place, transaction costs deducted. In subsequent periods, loans are recognized at amortized cost using the effective interest method. The difference between the loan amount paid (principal at the time of withdrawal, transaction costs deducted) and the redemption value is recognized in the income statement over the term of the loan as part of the loan's effective interest cost.

Loans are classified as short-term unless the company/group has an unconditional right to postpone settlement of the liability for at least 12 months after the balance sheet date.

Sales revenues

CSAM Health AS's revenues mostly consist of Software related income. Some consultancy services are provided to customers in conjunction with installation, training and integration in the customer's operating environment.

Revenue recognition principles

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received, excluding discounts. The Company's customers are mainly hospitals in the Nordics.

Some contracts contain several commitments. For the contracts that contain several components, the revenue is distributed proportionally to the different components of the contract. In general, invoices are paid within 30 days from issuance.

License Sales

Most sales are made according to the classic "license and maintenance" model and installed on premise. License Sales is classified as a software license where the customer is provided with a right to use the software as it is when made available to the customer. Revenues from this license is recognised at the point in time when the installation of the software passes contractual milestones.

Recurring Revenue (Service & Maintenance)

This type of income is related to the fact that the software is installed at the customer's and he has the right to use the software according to the license agreement. Recurring revenues are recognised over time on a straight-line basis over the year.

Invoices are typically generated on an annual, semi-annual or quarterly upfront basis. A minor part of such revenues are invoiced monthly in arrears.

Professional Services

Revenue from the sale of Professional Services (i.e. consultancy) consists of services such as service and customisation of products, these are reported during the period of which the service is provided, measured on a percent of completion basis for fixed contracts or routinely for ongoing routine deliveries.

Hardware Sales

Sales of hardware is typically recognised as income when the physical product is delivered at the customer's site.

Taxes

The tax expense in the income statement comprises both taxes payable for the period and changes in deferred tax liabilities/benefits. Deferred tax is calculated as 22% of the basis of temporary differences that exist at the end of the financial year between the accounting and tax written-down values, and tax loss carried forward. Tax-reducing and tax-increasing temporary differences that reverse or could reverse in the same period are set off.

Net deferred tax benefits that are considered to be utilized in the future are recognized as intangible assets.

Government grants

CSAM Health AS receives government grants from "SkatteFUNN" related to research and development. A part of the yearly grant, equivalent to the sum of manhours recognized as work in progress of the product under development that has received the grant, is recognized as unearned income, and amortised over three years from the year after the grant. The remaining grant is recognized as a reduction of personell expenses or operating costs depending on which costs are the basis for the grant, in accordance with norwegian accounting rule.

Related parties

CSAM Health Group AS and the board and the management of the company, are considered to be group's related parties.

Furthermore, the subsidiaries of CSAM Health AS are also considered as related parties. All transactions with related parties are based on the arm's length principle.

Cash flow statement

The cash flow statement has been prepared following the indirect method.

Cash and cash equivalents include cash, bank deposits, and other current liquid investments.

Consolidated financial statement

CSAM Health AS is part of the consolidated financial statements of CSAM Health Group AS.

The consolidated financial statements of CSAM Health Group AS can be retrieved on breg.no



Note 2	Intangible assets					Total
	Goodwill on the purchase of Natus	Goodwill on the purchase of Clinsoft AS	Software, acquired	Software, developed		
Acquisition cost at 01.01.20	15 000	13 008	18 000	154 138	200 146	
Additions during the year	-	-	-	6 262	6 262	
Disposals during the year	-	-	-	-	-	
Acquisition cost at 31.12.20	15 000	13 008	18 000	160 400	206 408	
Accumulated amortization as at 31.12.20	10 625	4 898	9 473	101 169	126 165	
Accumulated write-downs at 31.12.20	-	8 110	8 527	40 623	57 260	
Book value at 31.12.20	4 375	-	-	18 609	22 984	
Amortization charge for the year 2020	1 500	-	-	2 776	4 276	
Write-downs 2020	-	-	-	-	-	
Linear amortization method; amortization period:	10 years	10 years	5 years*	5 years*		

* The company's developed licenses are amortized over five years from the approved delivery of a new product or new product version to the first customer. The company changed the amortization period from three to five years as of 1.1.2020. The amortization period is assessed for the number of years the program version provides income by delivery of 1-2 upgrades of the product per year.

Goodwill value is primarily related to the fact that one has acquired access to existing customer networks, partners and framework agreements that can be utilized to achieve increased sales for the entire group. The health sector is considered to be a market where growth is expected in the development of IT solutions/applications over a long period. Based on this, it is likely that one can utilise established positions to create results for several years to come. CSAM Health AS has thus paid, partially, for expected future earnings from the acquisitions of the eHealth products in Natus and Clinsoft AS. This goodwill is considered to amortise over ten years, based on experience and sales in this sector having a long-term perspective.

Note 3	Tangible fixed assets				Total
	Software	Fixtures & fittings	Computer equipment		
Acquisition cost at 01.01.20	386	2 024	5 985	8 395	
Additions during the year	-	-	1 354	1 354	
Disposals during the year	-	-	-	-	
Acquisition cost at 31.12.20	386	2 024	7 339	9 748	
Accumulated depreciation as at 31.12.20	386	2 002	5 885	8 274	
Booked value as at 31.12.20	(0)	22	1 453	1 475	
Depreciation charge for the year 2020	-	20	527	548	
Linear depreciation method; depreciation period:	3 years	5 years	3 years		

Note 4	Subsidiaries			
	Acquisition	Business office	Owner's share	Voting rights
CSAM Philippines Inc	June 2005	Cebu, Filippinene	99,995 %	99,995 %
CSAM (UK) Ltd	November 2008	Warwickshire	100 %	100 %
CSAM Sweden AB	January 2016	Solna	100 %	100 %
CSAM Finland OY	January 2016	Oulo	100 %	100 %
CSAM Prosang AB	November 2017	Solna	100 %	100 %
CSAM Danmark A/S	May 2019	Herlev	100 %	100 %
CSAM Arcid AS	March 2019	Tromsø	100 %	100 %

Investments made by the parent company in the subsidiary are accounted for using the cost method.

Company name	Share capital (NOK)	Number of shares	Book value as at 31.12.2020	Equity 31.12.20 (NOK)	Company's result 2020 (NOK)
CSAM Philippines Inc	18	100 000	133	(968)	(294)
CSAM (UK) Ltd	1	10 000	104	(27 929)	(483)
CSAM Sweden AB	908	2 531 648	73 489	45 151	(8 675)
CSAM Finland OY	26	100	30 356	21 567	4 213
CSAM Prosang AB	105	10 080	51 607	14 514	981
CSAM Danmark A/S	705	5 010	1 369	(12 076)	(802)
CSAM Arcid AS	400	4 000	14 666	2 124	2 646
Total			171 725		



Note 5 Receivables and liabilities

Other short-term debt is distributed as follows:

	31.12.2020	31.12.2019
Invoiced, not earned income	22 798	21 796
Debt to previous owners of Arcid AS	5 671	10 022
Accrued payroll and other short-term items	8 649	9 130
Total other short-term liabilities	37 117	40 947

Short term debt group companies

Short term debt to CSAM Health Group AS	272 223	41 356
Short term debt to other group companies	9 680	11 783
Total other short-term liabilities	281 903	53 138

Long-term liabilities

CSAM Health AS had per 1.1.2020 a long-term loan from Cordet of MNOK 126,1. The loan was repaid in 2020.

Mortgages and collaterals

CSAM Health AS has issued a guarantee and pledged its bank accounts, intercompany claims, material insurances, inventory, machinery and plant, each in the amount of MNOK 600, and all of the shares in CSAM Arcid AS, CSAM Prosang AB, CSAM Sweden AB and CSAM Finland Oy in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024" bond loan with ISIN NO 0010893738. Additionally, CSAM Health AS has pledged its trade receivables in favour of Nordea Bank Abp, filial i Norge in the amount of MNOK 25.

Booket value of account receivables per 31.12.20 is 15 219.

Booket value of group receivables per 31.12.20 is 39 997.

Booket value of inventory per 31.12.20 is 0.

Booket value of tangible fixed assets per 31.12.20 is 1 475.

Note 6 Intercompany balances and related party transactions

2020	CSAM Philippines Inc	CSAM Prosang AB	CSAM Health UK Ltd and UK Ltd	CSAM Sweden AB	CSAM Finland OY	CSAM Karlstad AB
Transactions						
Sales of administration services		3 749	170	3 919	3 919	1 875
Sales of consulting services		230		3 188	3 003	11 476
Sales of immaterial assets						
Purchase of consulting services/licence fee	10 763			883	1 861	13 274
Assets and liabilities as per 31.12.						
Long term receivable	-	-	-	-	-	78 721
Short-term receivables	-	26 119	-	7 390	268	1 274
Short-term liabilities	-	-	4 577	146	463	4 454

2020	CSAM Arcid AS	CSAM Denmark A/S	CSAM Health Group AS	CSAM Kibi Finland OY
Transactions				
Sales of administration services	1 704	682		682
Sales of consulting services	237	159	5 154	156
Sales of immaterial assets			-	
Purchase of consulting services/licence fee	1 728	39	-	
Assets and liabilities as per 31.12.				
Long term receivable				
Short-term receivables	3 601	1 144		202
Short-term liabilities	-	39	272 223	-


Note 6 continued
Intercompany balances and related party transactions

2019	CSAM Philippines Inc	CSAM Prosang AB	CSAM Health UK Ltd and UK Ltd	CSAM Sweden AB	CSAM Finland OY	CSAM Karlstad AB
Transactions						
Sales of administration services	-	3 407	156	1 884	3 776	1 725
Sales of consulting services	-	710	-	692	917	2 428
Sales of immaterial assets	-	-	-	-	-	67 000
Purchase of consulting services/licence fee	9 619	-	-	-	-	6 699
Assets and liabilities as per 31.12.						
Long term receivable	-	-	-	-	-	71 080
Short-term receivables	-	28 287	-	1 661	-	-
Short-term liabilities	-	-	3 750	-	2 886	3 794

2019	CSAM Arcid AS	CSAM Kibi AB	CSAM Kibi Sverige AB	CSAM Kibi Finland OY	CSAM Denmark A/S	CSAM Health Group AS
Transactions						
Sales of administration services	1220	2	1 061	302	227	438
Sales of consulting services	-	914	3 947	1 125	187	2 893
Sales of immaterial assets	-	-	-	-	-	-
Purchase of consulting services/licence fee	-	-	-	-	-	-
Assets and liabilities as per 31.12.						
Long term receivable	-	-	-	-	-	-
Short-term receivables	1477	-	4 338	315	237	-
Short-term liabilities	-	1 352	-	-	-	41 356

Note 7
Restricted cash

Restricted cash:

	31.12.2020	31.12.2019
Tax withholding	2 180	2 076
Total restricted cash	2 180	2 076

Note 8
Share capital and shareholder information

The share capital consists of (in NOK):

	Number of ordinary shares	Per value	Share capital
Ordinary shares	5 000 000	0.40	2 000 000
Total	5 000 000	0.40	2 000 000

All shares are owned by CSAM Health Group AS.

Note 9
Equity

	Share capital	Share premium	Other paid-in equity	Uncovered loss	Total
Equity at 01.01.2020	2 000	31 000	21 546	(16 512)	38 034
Reclassification	-	-	(16 512)	16 512	-
Net profit/(loss) for the year	-	-	(1 514)	-	(1 514)
Equity at 31.12.2020	2 000	31 000	3 520	-	36 520

Note 10
Pensions

CSAM Health AS's pension scheme satisfies the respective statutory pension schemes.

The company has a defined contribution plan in accordance with the Norwegian Law on Required Occupational Pension.



Note 11	Tax	
Payable tax	2020	2019
Profit/loss before taxes	(3 050)	38 054
Permanent differences	(6 362)	3 706
Change in temporary differences	16 838	(43 285)
Taxable group contribution	2 430	-
Utilization of tax loss carried forward	(9 855)	-
The year's tax base	(0)	(1 525)
Payable tax	-	-
Tax payable - previous years	-	-
Total tax payable	-	-
Temporary differences	31.12.2020	31.12.2019
Tangible fixed assets	1 523	2 196
Borrowing costs	-	6 543
Non-deductible interest	(12 670)	(12 669)
Profit/Loss-account	33 894	42 367
Unearned income (Skattefritt)	(4 080)	(2 932)
Tax losses carried forward	(88 685)	(98 540)
Total temporary differences	(70 019)	(63 036)
Calculated deferred tax benefit	(15 404)	(13 868)
Of which deferred tax benefit that is not capitalized	-	-
Other tax-increasing effects	-	-
Deferred tax / (Deferred tax benefit)	(15 404)	(13 868)
Explanation of this year's tax expense:		
Change in deferred tax	(1 536)	8 726
Tax payable	-	-
This year's tax expense	(1 536)	8 726
Deferred tax benefit in balance sheet:		
Calculated deferred tax benefit	15 404	13 868
Book value of deferred tax benefit as at 31.12.	15 404	13 868

Note 12	Operating income	
	2020	2019
Geographical distribution		
Norway	61 185	50 929
Sweden	31 550	20 622
Sweden - sale of immaterial asset	-	48 030
Denmark	1 094	229
Finland	7 810	5 515
UK	170	157
Total	101 809	125 482



Note 13 Payroll costs, number of employees, management remunerations and remuneration to the auditor

Payroll expenses	2020	2019
Wages	42 580	39 637
Capitalized payroll, intangible assets	(2 472)	(12 157)
Payroll costs of management resources invoiced to other company units	(5 154)	(4 076)
Government grant ("SkatteFUNN-fundings")	(2 180)	(3 844)
Pension costs	672	633
Social security tax	5 852	5 735
Other payroll-related costs	625	1 491
Total	39 923	27 419

Average number of employees 37,9 32,5

Management remunerations

	2020	2019
Remuneration to the chief executive officer:		
Wages	2 498	2 938
Variable compensation based on results	960	960
Pension costs	23	23
Other benefits	10	10

The chief executive officer is required to give six months' notice of resignation on either side. Beyond that, the company has no other obligations towards the chief executive officer as of 31.12.2020.

There are no loans or guarantees to the group CEO, to members of the board or to executive personnel.

Board remuneration have not been paid during the year 2020.

Fees to auditor (amount net of VAT):

	2020	2019
Statutory audit	341	280
Half year audit	-	106
Accounting assistance and tax counselling	221	252
Assurance services	26	145
Other assistance	21	20
Total payments to the auditor	609	697

Note 14 Other operating costs

Other operating costs are distributed as follows:

	2020	2019
Rental costs, cleaning etc.	4 029	4 418
Data equipment, software etc.	2 567	2 342
Miscellaneous foreign services, legal services and audit	2 191	2 492
Office, seminars and telephony costs	1 321	2 219
Travel and car expenses	811	3 161
Advertising, marketing og exhibitions	1 215	1 554
Other	18 061	10 741
Total other operating costs	30 195	26 928

Note 15 Other financial income

Other financial income is distributed as follows:

	2020	2019
Profit on foreign exchange/agio	-	871
Group contribution	2 430	990
Total other financial income	2 430	1 861



Note 16 **Other financial costs**

Other interest expenses are distributed as follows:

	2020	2019
Interests on liabilities to credit institutions	410	220
Amortization of loan expenses	6 543	2 181
Other interest expenses	11 293	13 530
Total other interest expenses	18 246	15 931

Other financial costs are distributed as follows:

	2020	2019
Provision for loss on investment in group company	-	1 931
Loss on foreign exchange/disagio	10 712	-
Fees and other financial expenses	469	903
Total other financial expenses	11 181	2 834

Note 17 **Financial market risk**

CSAM Health AS, including subsidiaries, do not make use of financial instruments in connection with the management of financial risk, but relies on natural hedging as the Group has income and cost in reasonable proportion in the same currencies.

Interest rate risk

Cash flows related to the company's loan obligations are affected by interest rate changes in NIBOR. Based on the book capital as of 31.12.2020, 1 percentage point change in these interest rates affects cost with about NOK 1.5 million before tax.

Foreign currency risk

Fluctuations in exchange rates entail both direct and indirect financial risks for the company. There are no agreements that reduce this risk as at 31.12.2020. CSAM Health AS, including subsidiaries, have income and cost in NOK, SEK, DKK, EUR and GBP, which represents an indirect hedge against currency fluctuations. It is decided to leave the cost in PHP unhedged. In conjunction with the Covid-19 outbreak in March 2020, we experienced unusual movements of the NOK against our trading currencies.

The Company had long term debt in NOK, SEK and EUR until September 2020, when the previous loan agreement with Cordet Capital was replaced through the proceeds from the issue of CSAM01 PRO, with CSAM Health Group AS as issuer. The amount of capital raised through the bond issue was 300 MNOK, and by this the currency risk related to financing was eliminated.

Note 18 **Non-current liabilities**

CSAM Health AS

Research and development

In 2020, the company has been involved in three projects approved by the Research Council of Norway for SkatteFUNN-fundings, in order to claim Government grants R&D tax credit.

Rental and leasing agreements

The company has following rental and leasing contracts of significance:

	Annual cost	Contract expiry
Rental costs Drammensveien 288	4 091	14.08.2024