



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 971 125 756
Organisasjonsform: Aksjeselskap
Foretaksnavn: DATA RESPONS AS
Forretningsadresse: Sandviksveien 26
1363 HØVIK

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Patrick Mejdell Gulliksen
Dato for fastsettelse av årsregnskapet: 24.06.2021

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, 29.07.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		6 150 000	8 092 000
Sum inntekter		6 150 000	8 092 000
Kostnader			
Lønnskostnad	2	24 408 000	30 666 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	6,12	2 554 000	2 941 000
Annen driftskostnad	3	14 186 000	15 945 000
Sum kostnader		41 148 000	49 552 000
Driftsresultat		-34 998 000	-41 460 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap	10	145 868 000	108 937 000
Annen finansinntekt	4	7 101 000	2 665 000
Sum finansinntekter		152 969 000	111 602 000
Annen finanskostnad	4	57 238 000	12 660 000
Sum finanskostnader		57 238 000	12 660 000
Netto finans		95 731 000	98 942 000
Ordinært resultat før skattekostnad		60 733 000	57 482 000
Skattekostnad på ordinært resultat	5	-7 085 000	-1 219 000
Ordinært resultat etter skattekostnad		67 818 000	58 701 000
Årsresultat		67 818 000	58 701 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		67 818 000	58 701 000
Sum overføringer og disponeringer		67 818 000	58 701 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	6	579 000	0
Utsatt skattefordel	5	18 888 000	11 803 000
Sum immaterielle eiendeler		19 467 000	11 803 000
Varige driftsmidler			
Maskiner og anlegg	6	1 237 000	1 562 000
ROU eiendel IFRS 16	12	5 994 000	6 520 000
Sum varige driftsmidler		7 231 000	8 082 000
Finansielle anleggsmidler			
Investering i datterselskap	9	1 423 659 000	1 507 752 000
Sum finansielle anleggsmidler		1 423 659 000	1 507 752 000
Sum anleggsmidler		1 450 357 000	1 527 637 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	11	490 000	92 000
Andre fordringer		554 000	1 142 000
Sum fordringer		1 044 000	1 234 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		711 000	740 000
Sum bankinnskudd, kontanter og lignende		711 000	740 000
Sum omløpsmidler		1 755 000	1 974 000
SUM EIENDELER		1 452 112 000	1 529 611 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		37 755 000	37 755 000
Overkurs		840 985 000	840 985 000
Sum innskutt egenkapital		878 740 000	878 740 000
Opptjent egenkapital			
Annen egenkapital		41 141 000	24 229 000
Sum opptjent egenkapital		41 141 000	24 229 000
Sum egenkapital		919 881 000	902 969 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	8	194 741 000	68 642 000
Earn-Out forpliktelse	7	106 144 000	289 317 000
Leasingforpliktelse IFRS 16	12	4 508 000	4 592 000
Sum annen langsiktig gjeld		305 393 000	362 551 000
Sum langsiktig gjeld		305 393 000	362 551 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	8	299 000	290 000
Leverandørgjeld	11	1 757 000	2 188 000
Skyldige offentlige avgifter		1 225 000	7 542 000
Kortsiktig konserngjeld	11	111 491 000	141 457 000
Leasingforpliktelse	12	1 595 000	2 012 000
Earn-Out forpliktelse	7	96 453 000	102 223 000
Annen kortsiktig gjeld		14 018 000	8 379 000
Sum kortsiktig gjeld		226 838 000	264 091 000
Sum gjeld		532 231 000	626 642 000
SUM EGENKAPITAL OG GJELD		1 452 112 000	1 529 611 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2,4,5	1 986 697 000	1 866 488 000
Sum inntekter		1 986 697 000	1 866 488 000
Kostnader			
Varekostnad	8	822 162 000	835 464 000
Lønnskostnad	6	791 456 000	683 434 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	15,24, 2,15	78 295 000	65 699 000
Annen driftskostnad	3,4,7	90 507 000	92 980 000
Sum kostnader		1 782 420 000	1 677 577 000
Driftsresultat		204 277 000	188 911 000
Finansinntekter og finanskostnader			
Annen finansinntekt	10,21, 22	141 632 000	62 895 000
Sum finansinntekter		141 632 000	62 895 000
Annen finanskostnad	10,21, 22,24	113 546 000	56 030 000
Sum finanskostnader		113 546 000	56 030 000
Netto finans		28 086 000	6 865 000
Ordinært resultat før skattekostnad		232 363 000	195 776 000
Skattekostnad på ordinært resultat	11	47 328 000	49 640 000
Ordinært resultat etter skattekostnad		185 035 000	146 136 000
Årsresultat		185 035 000	146 136 000
Minoritetsinteresser		10 662 000	9 346 000
Årsresultat etter minoritetsinteresser		174 373 000	136 790 000
Curr exch diff maj		105 491 000	-4 991 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2020	2019
Curr exch diff min			
Net effect CF hedge		0	-237 000
Sum resultatkomponenter for IFRS-foretak		105 491 000	-5 228 000
Totalresultat		279 864 000	131 562 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		279 864 000	131 562 000
Sum overføringer og disponeringer		279 864 000	131 562 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	3,15	231 367 000	246 656 000
Utsatt skattefordel	2,11	17 176 000	11 241 000
Goodwill	2,3,15	1 171 510 000	1 099 324 000
Sum immaterielle eiendeler		1 420 053 000	1 357 221 000
Varige driftsmidler			
Maskiner og anlegg	15	12 975 000	12 804 000
ROU Asset IFRS 16	2,24	99 757 000	89 722 000
Sum varige driftsmidler		112 732 000	102 526 000
Finansielle anleggsmidler			
Andre fordringer		3 115 000	3 105 000
Sum finansielle anleggsmidler		3 115 000	3 105 000
Sum anleggsmidler		1 535 900 000	1 462 852 000
Omløpsmidler			
Varer			
Varer	18	32 609 000	33 067 000
Sum varer		32 609 000	33 067 000
Fordringer			
Kundefordringer	16,20	395 978 000	416 333 000
Andre fordringer	16,20	75 300 000	42 486 000
Sum fordringer		471 278 000	458 819 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	17	273 114 000	128 066 000
Sum bankinnskudd, kontanter og lignende		273 114 000	128 066 000
Sum omløpsmidler		777 001 000	619 952 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
SUM EIENDELER		2 312 901 000	2 082 804 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital	12	37 755 000	37 755 000
Overkurs	12	840 985 000	840 985 000
Sum innskutt egenkapital		878 740 000	878 740 000

Opptjent egenkapital

Annen egenkapital	12	368 038 000	148 636 000
Sum opptjent egenkapital		368 038 000	148 636 000

Minoritetsinteresser	14	33 990 000	29 495 000
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Sum egenkapital		1 280 768 000	1 056 871 000
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Gjeld

Langsiktig gjeld

Utsatt skatt	3,11	67 241 000	71 975 000
Sum avsetninger for forpliktelser		67 241 000	71 975 000

Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	20,21, 22	194 741 000	68 642 000
Non-Current Earn Out liabilities	2,20,2 2	113 491 000	289 317 000
Non-Current lease liabilities	2,24	66 030 000	55 920 000
Other non-current liabilities		523 000	1 433 000
Sum annen langsiktig gjeld		374 785 000	415 312 000

Sum langsiktig gjeld		442 026 000	487 287 000
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Kortsiktig gjeld

Gjeld til kredittinstitusjoner	20,21, 22	299 000	290 000
Leverandørgjeld	20	172 481 000	173 570 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
Betalbar skatt	11	15 117 000	8 726 000
Skyldige offentlige avgifter		76 479 000	69 719 000
Other current liabilities	19	189 992 000	145 762 000
Current earn-out liabilities	2,20,2	99 271 000	105 570 000
	1		
Current lease liabilities	2,24	36 468 000	35 009 000
Sum kortsiktig gjeld		590 107 000	538 646 000
Sum gjeld		1 032 133 000	1 025 933 000
SUM EGENKAPITAL OG GJELD		2 312 901 000	2 082 804 000



CONSOLIDATED FINANCIAL STATEMENTS

Data Respons places great importance on providing up-to-date information on its activities and financial development to stakeholders

```
mirror_mod.active = false
mirror_mod.use_y = True
mirror_mod.use_z = False
elif operation == "MIRROR_Z":
    mirror_mod.use_x = False
    mirror_mod.use_y = False
    mirror_mod.use_z = True

    # Add back the o
mirror_ob.select 1
modifier_ob.select=1
# context = ene.objects.active = modifi
d" + str(modifier_ob)) # mo
```



CONSOLIDATED INCOME STATEMENT

<i>NOK 1000</i>	<i>Note</i>	2020	2019
Revenues	2,4,5	1 986 697	1 866 488
Cost of goods sold	8	822 162	835 464
Employee expenses	6	791 456	683 434
Other operating expenses	3,4,7	90 506	92 980
Depreciation	15,24	45 098	38 409
Amortisation and impairment	2,15	33 197	27 290
Operating profit/loss		204 277	188 911
Financial income	10,21,22	141 632	62 895
Financial expenses	10,21,22,24	(113 546)	(56 030)
Profit/loss before tax		232 363	195 777
Income tax expense	11	(47 328)	(49 640)
Profit/loss for the year		185 035	146 136
ATTRIBUTABLE TO			
Equity holders of the parent		174 373	136 790
Non-controlling interest		10 662	9 346
Basic earnings per share (NOK)	12	2,31	2,02
Diluted earnings per share (NOK)	12	2,31	1,95

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>NOK 1000</i>	<i>Note</i>	2020	2019
Profit for the year		185 035	146 136
OTHER COMPREHENSIVE INCOME			
Items that may subsequently be reclassified to profit or loss			
Currency translation differences		105 491	(4 991)
Currency translation differences on non-controlling interests		3 315	(609)
Net gain / (loss) on cash flow hedges	20	-	(238)
Other comprehensive income		108 807	(5 837)
Total comprehensive income		293 842	140 300
ATTRIBUTABLE TO			
Equity holders of the parent		279 864	131 562
Non-controlling interest		13 977	8 738



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>NOK 1000</i>	<i>Note</i>	2020	2019
ASSETS			
Goodwill	2,3,15	1 171 510	1 099 324
Other intangible assets	3,15	231 367	246 656
Deferred tax assets	2,11	17 176	11 241
Machinery and equipment	15	12 975	12 804
Right-of-use assets	2,24	99 757	89 722
Other non-current assets		3 116	3 106
Total non-current assets		1 535 900	1 462 852
Inventories	18	32 609	33 067
Trade receivables	16,20	395 978	416 333
Other current receivables	16,20	75 301	42 486
Cash and cash equivalents	17	273 114	128 066
Total current assets		777 001	619 952
Total assets		2 312 901	2 082 804



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK 1000	Note	2020	2019
EQUITY			
Issued capital	12	37 755	37 755
Share premium	12	840 985	840 985
Retained earnings		368 038	148 635
Equity attributable to equity holders of the parent		1 246 778	1 027 376
Non-controlling interests	14	33 990	29 495
Total equity		1 280 768	1 056 871
LIABILITIES			
Deferred tax liabilities	3,11	67 241	71 975
Non-current interest-bearing loans	20,21,22	194 741	68 642
Non-current earn-out liabilities	2,20,22	113 491	289 317
Non-current lease liabilities	2,24	66 030	55 920
Other non-current liabilities		524	1 433
Total non-current liabilities		442 026	487 287
Current interest-bearing loans	20,21,22	299	290
Current earn-out liabilities	2,20,21	99 271	105 570
Current lease liabilities	2,24	36 468	35 009
Trade payables	20	172 481	173 570
Income tax payable	11	15 117	8 726
Public duties payable		76 479	69 719
Other current liabilities	19	189 991	145 762
Total current liabilities		590 107	538 646
Total liabilities		1 032 133	1 025 933
Total equity and liabilities		2 312 901	2 082 804

THE BOARD OF DIRECTORS OF DATA RESPONS AS
HØVIK, 14th JUNE 2021

Mauro Ricci
CHAIRMAN OF THE BOARD

Kenneth Ragnvaldsen
CHIEF EXECUTIVE OFFICER

Nathalie Buhnemann
MEMBER OF THE BOARD

Lars Peters
MEMBER OF THE BOARD

CONSOLIDATED FINANCIAL STATEMENTS 2020 - DATA RESPONS GROUP



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK 1000	Note	Attributable to equity holders of the parent					Non-controlling interests	Total equity
		Issued capital	Share premium	Translation differences	Other equity	Total		
Equity on 1 January 2019		29 159	396 510	63 896	26 804	516 369	26 744	543 113
Profit for the year					136 790	136 790	9 346	146 136
Other comprehensive income for the year				(4 991)	(238)	(5 228)	(609)	(5 837)
Total comprehensive income for the year		-	-	(4 991)	136 552	131 562	8 738	140 300
Investment in non-controlling interests							19	19
Dividends	14				(58 317)	(58 317)	(6 005)	(64 322)
Employee share option scheme	6				(15 310)	(15 310)		(15 310)
Issue of share capital	12	8 597	444 475			453 072		453 072
Equity on 31 December 2019		37 755	840 985	58 905	89 730	1 027 376	29 495	1 056 871
Profit for the year					174 373	174 373	10 662	185 035
Other comprehensive income for the year				105 491	-	105 491	3 315	108 807
Total comprehensive income for the year		-	-	105 491	174 373	279 864	13 977	293 842
Investment in non-controlling interests					(9 555)	(9 555)	(2 283)	(11 838)
Dividends	14					-	(7 200)	(7 200)
Employee share option scheme	6				(45 764)	(45 764)		(45 764)
Issue of share capital		-	-	-	-	-		-
Settlement of bonus shares	6				(5 142)	(5 142)		(5 142)
Equity on 31 December 2020		37 755	840 985	164 396	203 642	1 246 778	33 990	1 280 768



CONSOLIDATED STATEMENT OF CASH FLOWS

<i>NOK 1000</i>	<i>Note</i>	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income tax		232 363	195 777
Income tax paid		(54 206)	(63 150)
Depreciation, amortisation and impairment	15	78 296	65 699
Employee share option scheme	6	611	2 388
Net financial items	10	(28 085)	(6 865)
Changes in working capital:			
- Inventories		458	(6 794)
- Trade receivables		20 356	25 765
- Trade payables		(1 088)	(16 230)
- Other current assets / liabilities		17 708	8 083
Net currency (gains) losses relating to operating activities		3 253	(1 081)
Other operating activities		(405)	(407)
Net cash flow from operating activities		269 259	203 184
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of subsidiaries, net of cash acquired	3,15,21	(110 361)	(268 325)
Purchase of machinery and equipment	15	(6 762)	(6 034)
Interest received	10	1 178	1 218
Proceeds from sale of financial assets		-	1 752
Proceeds from sale of intangible assets		-	-
Net cash flow from investing activities		(115 945)	(271 389)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of interest-bearing loans	22	(130 000)	(359 000)
Proceeds of interest-bearing loans	22	255 000	150 000
Proceeds from issue of shares	12	-	468 995
Transaction cost on issue of shares	12	-	(15 923)
Sale / (purchase) of treasury shares	6	(51 517)	(17 698)
Interest paid	10,22	(4 601)	(11 772)
Dividends paid to equity holders of the company	12	-	(58 317)
Dividends paid to non-controlling interests		(7 200)	(6 005)
Repayment of lease liabilities	24	(40 755)	(34 131)
Other financing activities	10	(45 829)	(1 021)
Net cash flow from financing activities		(24 902)	115 129
Net change in cash and cash equivalents		128 411	46 925
Cash and cash equivalents at the start of the period		128 066	82 424
Exchange gains/losses on cash and cash equivalents		16 636	(1 283)
Cash and cash equivalents at the end of the period	17	273 114	128 066

CONSOLIDATED FINANCIAL STATEMENTS 2020 - DATA RESPONS GROUP



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS NOTES

- | | |
|--|--|
| 1. Accounting principles | 15. Goodwill, intangible assets, machinery and equipment |
| 2. Significant estimates and judgements | 16. Trade and other receivables |
| 3. Business combinations | 17. Cash and cash equivalents |
| 4. Segments | 18. Inventories |
| 5. Revenue from contracts with customers | 19. Other current liabilities |
| 6. Employee expenses and remuneration | 20. Financial assets and liabilities |
| 7. Other operating expenses | 21. Fair value measurements |
| 8. Cost of goods sold | 22. Interest-bearing loans |
| 9. Research and development | 23. Financial risk management |
| 10. Net financial items | 24. Leases |
| 11. Income tax | 25. Guarantees and commitments |
| 12. Share capital, shareholders and earnings per share | 26. Related parties |
| 13. Subsidiaries | 27. Events occurring after the reporting period |
| 14. Non-controlling interests | 28. Covid 19 |



Note 1: Accounting principles

General information

Data Respons is a full-service, technology company and a leading player in the IoT, Industrial digitalisation and the embedded solutions market. The company is a limited company, which is incorporated in Norway. The company's head office is located at Sandviksveien 26, 1363 Høvik, Norway. In 2020 Data Respons has become part of AKKA Technologies SARL and have been consolidated in AKKA group since March 2020. The consolidated financial statements of the Data Respons sub-group have been issued in accordance with approval by the Board of Directors and is subject to approval by the annual general meeting.

Statement of compliance

Data Respons' consolidated financial statements for 2020 have been prepared in accordance with prepared in accordance with simplified IFRS and the Norwegian Accounting Act. The Company has changed its basis for preparation from IFRS to simplified IFRS and the Norwegian Accounting Act as a response to the delisting from Oslo Stock exchange. However, the change has not resulted in any revaluation or transition effects on current year or comparative information

Basis of preparation

The consolidated financial statements are based on the historical cost principle except when IFRS requires recognition at fair value. This relates to the measurements of certain financial instruments. The consolidated financial statements are presented in NOK and all values are rounded to the nearest thousand (000), except when otherwise indicated. As a result of rounding differences, numbers or percentages may not add up to the total.

New and amended standards adopted by the group

The accounting policies applied in the consolidated financial statements are consistent with those applied in the previous financial year. Amendments to relevant standards is shortly described in the following.

Amendments to IAS 1 and IAS 8 *Definition of Material*

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

Amendments to IFRS 3: *Definition of a Business*

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

New standards issued but not effective

At the date of authorisation of these consolidated financial statements, there are no new issued but not effective standards and interpretations that could materially affect the group's consolidated financial statements.

Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of Data Respons AS and its subsidiaries. Control is achieved when the parent company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, Data Respons AS controls an investee if, and only if, the company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption, and when Data Respons has less than a majority of the voting or similar rights of an investee, the company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- Data Respons' voting rights and potential voting rights



Data Respons re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the company gains control until the date the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Data Respons' accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full in the consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If Data Respons loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Non-controlling interests

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. The proportion allocated to the parent and non-controlling interests are determined on the basis of present ownership interests. Total comprehensive income are also attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

All business combinations are accounted for using the acquisition method. Consideration for the acquisition of subsidiaries is measured at the fair value of the transferred assets and obligations assumed. The fair value of any assets or obligations that are contingent on the agreement is also included in the consideration. Identifiable assets and liabilities are recognised at fair value on the acquisition date.

Transaction costs are expensed as incurred. Identifiable assets are defined as both tangible fixed assets and intangible assets, excluding goodwill. Any excess value or shortfall in value beyond that which can be attributed to identifiable assets and liabilities is recognised in the statement of financial position as goodwill.

Excess values in the consolidated financial statements are depreciated on a straight-line basis over the anticipated economic life of the acquired assets, less any residual value. Goodwill and excess values attributed to intangible assets with an indeterminable useful life are not depreciated, but are tested for impairment in accordance with IFRS.

Currency

Transactions in foreign currency

In preparing the consolidated financial statements, subsidiaries translate transactions in foreign currencies at the exchange rate for the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

Foreign operations

The group presentation currency is NOK. This is also the functional currency of the parent company. Each group entity with a different functional currency are translated into NOK using the foreign exchange rate at the balance sheet date for balance sheet items and monthly average rates for the income statement. Data Respons uses daily and monthly currency exchange rates as published by Norges Bank for translations into presentation currency. Foreign exchange differences arising from translation from functional currency to presentation currency are recognised in the statement of other comprehensive income. When a foreign subsidiary is partially or completely disposed of or sold, translation differences related to the subsidiary are recognised in the income statement.

Current / non-current classification

An asset is classified as current when it is expected to be realised, or is intended for sale or consumption in the group's normal operating cycle, is held primarily for the purpose of being traded or it is expected/due to be realised or settled within twelve months after the reporting date. Other assets are classified as non-current. A liability is classified as current when it is expected to be settled in the group's normal operating cycle, is held primarily for the purpose of being traded, if the liability is due to be settled within twelve months after the reporting period or if the group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.



Revenue from contracts with customers

The group delivers R&D services and sale of solutions to a wide range of market segments including Telecom, Mobility, Industry & Automation, Energy, Finance & Insurance, Medical, Oil Services and Maritime. Revenue from contracts with customers is recognised when control of the solutions or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those solutions or services.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 2.

Sale of solutions

Revenue from sale of solutions is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the solutions.

A contract modification is treated as a separate contract only if it results in the addition of a distinct performance obligation and the price is reflective of the standalone selling price of that additions performance obligation.

The group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of solutions, the group considers the effects of variable consideration, existence of significant financing components and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the group estimates the amount of consideration (based on the expected value method) to which it will be entitled in exchange for transferring the solutions to the customer. The variable consideration is estimated at contract inception method and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Significant financing component

Generally, the group receives few short-term advances from its customers. Using the practical expedient in IFRS 15 the group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised solutions or service to the customer and when the customer pays for that solutions or service will be one year or less.

Warranty obligations

Data Respons generally provides for warranties for general repairs and does not provide extended warranties in its contracts with customers. As such, most existing warranties will be assurance-type warranties under IFRS 15, and will be accounted for according to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Provisions related to these assurance-type warranties are recognised when the solution is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually. However, in certain non-standard contracts, the group provides extended warranties, and these warranties will be accounted for as separate performance obligations to which the group allocates a portion of the transaction price.

Sale of R&D Services

Revenue from sale of services are satisfied over time because the customers simultaneously receives and consumes the benefits provided by the group. The contracts are normally based on service agreements with hourly fees. Fixed price contracts are recognised as revenue according to the stage of completion, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the group. The input method used to measure progress is based on number of hours worked, as this is considered to provide a faithful depiction of the transfer of services.

Estimated loss on contracts will be recognised in the income statement in its entirety in the period when it has been identified.

Contracts for bundled sales of solutions and services are comprised of two performance obligations because the promises to transfer solution and services are capable of being distinct in the context of the contract and separately identifiable. Accordingly, the group allocates the transaction price based on the relative stand-alone selling prices of the solutions and services.

Contract modifications are accounted for as either a separate contract or as part of the existing contract (either prospectively or through a cumulative catch-up adjustment). This assessment is driven by whether the modification adds distinct solutions and services and the distinct solutions and services are priced at their standalone selling prices.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for solutions or services transferred to the customer. If the group performs by transferring solutions or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).



Contract liabilities

A contract liability is the obligation to transfer solutions or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers solutions or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract.

Cost to obtain and fulfil a contract

The group applies the practical expedient to immediately expense contract acquisition costs when the asset resulting from capitalising such costs would have been amortised within one year or less. The group does not incur any costs to obtain a contract and costs to fulfil a contract that are eligible for capitalization.

Financial instruments

Classification and recognition

Based on the characteristics of the financial instruments that are recognised in the financial statements, the financial instruments are grouped into classes and categories. A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The group has classified financial assets and liabilities into the following classes: derivative financial assets, other non-current assets, trade receivables, other current receivables, cash and cash equivalents, current – and non-current interest-bearing loans, current – and non-current earn-out liabilities and trade payables.

The categorisation of the financial instrument for measurement purposes is done based on the nature and purpose of the financial instrument and is determined at the initial recognition. The group has financial assets and liabilities classified in the following categories: derivatives designated as hedging instruments with fair value through OCI, fair value through profit or loss, receivables and financial liabilities measured at amortised cost.

The group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument,
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship,
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the group actually hedges and the quantity of the hedging instrument that the group actually uses to hedge that quantity of hedged item.

Cash flow hedges meet all the qualifying criteria for hedge accounting. The effective portion of the gain or loss on the hedging instrument is recognised in OCI and accumulated as cash flow hedge reserve under other equity. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. The amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss. In 2019, the group had one hedging contract related to a cash flow hedge in Denmark, however this ended during the year, and the group has no other active hedging contracts at 31 December 2019.

The ineffective portion relating to foreign currency contracts is recognised as other operating expenses in the income statement.

Financial instruments at fair value through profit and loss consist of earn-out liabilities with contingent considerations. Receivables consist of unquoted non-derivative assets with fixed or determinable payments. Financial liabilities (interest-bearing loans and trade payables) measured at amortised cost consist of liabilities that are not a part of the category at fair value through profit or loss. The financial instruments are recognised in the group's statement of financial position as soon as the group becomes a party to the contractual provisions of the instrument, using trade date accounting.

Principles for estimating fair values

The estimated fair values of the group's financial instruments are based on available market prices and the valuation methodologies per class are described below.

Fair value hierarchy

The group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in measuring fair value.

Level 1: Quoted prices (unadjusted) in active markets for identical financial instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).



Interest-bearing loans

Interest-bearing loans consist of bank loans and overdrafts, and are classified in the category financial liabilities at amortised cost. These liabilities are initially measured at fair value net of transaction costs, and are subsequently measured at amortised cost using the effective interest-rate method.

Receivables

Trade receivables and other receivables are recognised in the balance sheet at nominal value, less provisions for lifetime of expected credit losses. Provisions for losses are made on the basis of individual assessment of the individual receivables, as well as past experience.

Machinery and equipment

Machinery and equipment is recognised in the balance sheet and depreciated on a straight-line basis over the estimated useful life less any residual value. Direct maintenance of machinery and equipment is expensed as other operating expenses, while enhancements or improvements that increase the capacity are added to the cost price and depreciated in line with the asset. Depreciation periods and profiles and residual values are assessed annually.

Intangible assets

Intangible assets consist of identifiable intangible assets. Intangible assets are recognised in the balance sheet if it is probable that the expected future financial benefits attributable to the asset will pass to the company and the asset's historical cost can be measured separately and in a reliable manner. Intangible assets with a limited useful life are recognised at historical cost, less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over the estimated useful life. The amortisation period and method are reviewed annually. Intangible assets with an indeterminable useful life are not amortised, but are tested annually for impairment at the date of the statement of financial position, or more frequently if there is an indication of impairment.

Goodwill

The difference between the fair value of consideration transferred at the time of acquisition and the fair value of net identifiable assets at the time of acquisition are classified as goodwill. Goodwill is recognised in the balance sheet at historical cost, less any accumulated impairments. Goodwill is not depreciated, but is tested annually for impairment at the balance sheet date, or more frequently if there is an indication of impairment. In cases where negative goodwill is identified in connection with business combinations, the purchase price allocation is reassessed before any negative goodwill is recognised in income.

Research and development

Costs associated with maintaining software or products are recognised as an expense as incurred. Expenses relating to development activities are recognised in the balance sheet if the following criteria are met;

- Development relates to an identifiable, unique product or software controlled by Data Respons
- There is an ability to use or sell the product or software
- It is technically and commercially feasible to complete the development
- The company intends to and has adequate resources to complete the development
- It can be demonstrated how the product or software will generate probable future economic benefits
- The expenditure attributable to the development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenses are recognised in the balance sheet at historical cost, less any accumulated depreciation and write-downs. Capitalised development expenses are depreciated over the estimated useful life of the asset, which does not exceed three years.

Intangible assets under development, however, are not depreciated and are tested for impairment annually or more frequently if there is an indication of impairment.

Provisions

Provisions are made in the financial statements where the group has a liability (legal or self-imposed) as a result of a past incident, if it is probable that a financial settlement will be made as a result of this liability, and if the amount of such a settlement can be measured reliably. If the impact is significant, the provisions are calculated by discounting the estimated future cash flows by a discount rate before tax that reflects the market's pricing of the current value of money and, where relevant, risks specifically linked to the liability.

Provisions for restructuring are included if the group has approved a detailed and formal restructuring plan, and the restructuring has either started or been announced. Provisions for loss-making contracts are included when the group's estimated revenue from a contract is lower than the estimated expenses that will be incurred to fulfil the contractual obligations.

Inventories

Purchased inventory is valued at the lower of historical cost (using the FIFO principle) or net realisable value. Write-downs are made for any inventory that is assumed to be obsolete.



Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The group (as a lessee) applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are tested annually for impairment at the date of the statement of the financial position, or more frequently if there is an indication of impairment.

Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

Pension liabilities

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Data Respons has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. The group does not have any material defined benefit pension arrangements.

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as payroll expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Employee share option scheme

Employee share options are calculated at the fair value at the time they are granted and accrued on a linear basis over the vesting period until the earliest exercise date. The employer's social security contributions linked to vested options are accrued correspondingly over the life-span of the option.

Income tax

Income tax expense in the income statement comprises both income tax payable for the period and changes in deferred tax. Deferred tax is calculated at the current tax rate on the basis of temporary differences between the financial accounting and tax-related values, and tax loss carry forward at the end of the financial year. Negative and positive temporary differences that reverse or may reverse during the same period are offset and the tax effect of the net amount is calculated. The tax loss carry forward is recognised in the statement of financial position as a deferred tax asset if it is considered adequately probable that the losses can be utilised in the future.



Cash and cash flow statement

The statement of cash flows has been prepared in accordance with the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments that can be converted immediately and without any significant exchange rate risk to a known cash amount, and with maturity date less than three months from the purchase date.

Contingent liabilities and assets

Contingent liabilities are not recognised unless these arise from, and are assessed as a result of business combinations. Material contingent liabilities are disclosed unless the probability of the liability materializing is remote. Contingent assets are not recognised in the annual financial statements.

Events after the date of the statement of financial position

New information received after the date of the reporting period relating to the company's financial position at the date of the reporting period has been taken into consideration in preparing the consolidated financial statements. Events occurring after the reporting period that do not affect the company's financial position at the date of the reporting period, but that will affect the company's financial position in the future are disclosed if these are material.

Note 2: Significant estimates and judgements

In connection with the preparation of the group consolidated financial statements, management has made assumptions and estimates about future events and applied judgements that affects the reported values of assets, liabilities, revenues, expenses and related disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The assumptions, estimates and judgements are based on historical experience, current trends and other factors that the group management believes to be relevant at the time these group consolidated financial statements are prepared.

The group based its assumptions and estimates on parameters available when these group consolidated financial statements were prepared. Accounting estimates may change because of future events. Estimates and their underlying assumptions are assessed continuously. Changes to accounting estimates are included in the financial statements for the period in which the change occurs. If the changes apply to future periods, the impact is spread over the current and future periods.

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Business combinations

All business combinations are accounted for using the acquisition method. Consideration for the acquisition of subsidiaries is measured at the fair value of the transferred assets and obligations assumed. The fair value of any assets or obligations that are contingent on the agreement is also included in the consideration. Identifiable assets and liabilities are recognised at fair value on the acquisition date. The acquisition date is the date on which the acquirer obtains control of the acquiree.

If the business combinations include arrangements for contingent payments to employees or selling shareholders, the group has assessed whether the arrangements are contingent considerations in the business combinations or separate transactions. Important factors when assessing the nature of the arrangement is understanding the reason why the acquisition agreement includes a provision for contingent payments, who initiated the agreement and when the parties entered into the arrangement.

Intangible assets acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values at the date of acquisition. The valuation of intangible assets have been based on fair value calculations. Cash forecasts are based on projected discounted cash flows ("DCF") with the following key estimates and judgements; revenue growth, EBIT margin and discount rate. Future revenue growth and EBIT margin are based on management's best estimate and judgement. The assumptions used in the valuation of the intangible assets are the same assumptions used in the valuation of the acquired company.

Amortisation of intangible assets are based on management's estimates of residual value, amortisation method and the useful life of intangible assets. The useful life of an intangible asset is based on an estimated length of time the intangible asset can reasonably be used to generate income and be of benefit to the group. The useful lives of intangible assets are reviewed at least annually taking into consideration the factors mentioned above and all other relevant information.



Earn-out liabilities

Earn-out liabilities are recognised as a contingent consideration, at fair value at the time of the acquisition, based on the facts and circumstances available at that time. Earn-out liabilities are usually contingent on the future financial performance of subsidiaries, which needs to be estimated when calculating the expected earn-out liabilities. The earn-out liabilities are initially recognised and measured at fair value at the date of acquisition, with any subsequent remeasurements recognised in profit or loss. The determination of the fair value is based on discounted cash flows, and the key assumption is the estimate of the future financial performance of subsidiaries, normally calculated as a multiple of the company's financial performance measured by EBIT.

At each reporting period, the original estimated fair value of the earn-out liability needs to be adjusted for two reasons:

1. The net present value of cash payments increases as cash settlements move closer in time, requiring an interest cost to be recognised.
2. Updated estimates of the company's financial performance may give rise to changes in the expected cash payments needed to settle the earn-out liability.

The interest component of the change in earn-out liability is a financial cost as it relates in its entirety to the financial structure of the acquisition. If the acquisition had been financed by external debt, an equivalent interest cost would be charged by the source of external funding. The second component of the change in the earn-out liability arises due to changes in estimates. The expected financial performance of the company either surpasses or falls short of the expected performance at the time of the acquisition. This leads to a new estimate of the fair value of the obligation. The effect of a change in estimate is presented as a financial item, as it relates to a financial liability and changes are considered non-operational. EBITA is also the key KPI analysts and Group Management team use to measure the segment performance, and inclusion of changes in estimates in EBITA could lead to a misleading EBITA and hence make it more difficult to track the segment performance.

Impairment assessment

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if there is an indication of impairment. Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The fair value, less costs of disposal calculation, is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flow forecasts is based on budgets approved by the Board of Directors, with a five-year projection period and do not include restructuring activities that the group is not yet committed to, or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Intangible assets with an indeterminable useful life are not amortised, but are tested annually for impairment at the date of the statement of financial position, or more frequently if there is an indication of impairment.

The group performed its annual impairment test in December 2020, and no indications of impairment losses have been identified for any of the group's CGUs. The recoverable amounts of these CGUs exceeded their carrying amounts by significant margins. A sensitivity analysis has been performed for these CGUs, in order to determine if a reasonable change in key assumptions would cause the units' carrying amounts to exceed their recoverable amounts.

Revenue from contracts with customers

Revenue for services are to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the group, and satisfies each of its performance obligations (that is, it fulfils its promises to the customer) over time by transferring control of the promised service underlying that performance obligation to the customer. The fact that another entity would not need to re-perform the services that the group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the group's performance as it performs. The input method is considered to be the best method when recognising revenue over time because there is a direct relationship between the group's effort (i.e., labour hours incurred) and the transfer of service to the customer.

A promised solution or service must be distinct to be accounted for as a separate performance obligation when there are multiple promises in a contract. A solution or service is distinct if the customer can benefit from the solution or service either on its own or together with other readily available sources (that is, it is capable of being distinct) and if the service is separately identifiable from the other promises in the contract (that is, distinct in the context of the contract). Determining whether a solution or service is distinct may require significant judgment.

Data Respons has a few bundled sales; with delivery of both products and services. The transaction price in such an arrangement must be allocated to each separate performance obligation based on the relative standalone selling prices of the services being provided and the products delivered to the customer. The allocation could be affected by variable consideration or discounts. Determining the standalone selling price for the services and products may require significant judgment.



Taxes

Deferred tax assets are recognised to the extent that it is probable that the tax assets will be realised. Significant judgement is required to determine the recognised amount and depends foremost on the expected timing, level of taxable profits as well as tax planning strategies and the existence of taxable temporary differences. The judgements relate primarily to tax losses carried forward in some of the group's foreign operations. When an entity has a history of recent losses, the deferred tax asset arising from unused tax losses is recognised only to the extent that there is convincing evidence that sufficient future taxable profit will be generated. Estimated future taxable profit is not considered as convincing evidence unless the entity has demonstrated the ability of generating significant taxable profit for the current year, or there are certain other events providing sufficient evidence of future taxable profit. Uncertainty related to new transactions and events and the interpretation of new tax rules may affect these judgements.

Leases

The application of IFRS 16 requires the group to make judgments that affect the valuation of the lease liabilities and the right-of-use assets (refer to note 24). These include: determining contracts in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows.

Identifying a lease will sometimes require a significant amount of judgement based on the elements of the definition of a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of a time in exchange for consideration.

The lease term determined by the group comprises non-cancellable period of lease contracts, periods covered by an option to extend the lease if the group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. The same economic useful life is applied to determine the depreciation rate of right-of-use assets. In determining the lease term, all facts and circumstances offering economic incentives for exercising extension options or not exercising termination options are taken into accounts.

Identifying the appropriate rate of discount rate of the lease payments involve significant judgement. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate ("IBR"). A lessee's IBR is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The approach used in determining the IBR is to take into account the reference rate adjusted for financing spread and lease specific characteristics. The weighted average lessee's IBR applied to the lease liabilities recognised in the statement of financial position is 4 %.

Note 3: Business combinations

No acquisitions have been finalized during 2020. After the balance sheet date 31.12.2020 Data Respons has acquired 100% of the shares in Frobese GmbH, a German R&D Services company headquartered in Hannover with 95 employees. The company was established in 1998 and is a niche provider of software solutions for the banking and insurance industry. The acquisition of this entity will contribute to strengthen the position in Germany, which is the largest industrial market in Europe and strategically important for Data Respons.

The agreement to acquire the shares was finalized during January 2021 and will be recorded in the group accounts with effect from 01.01.2021. The structure of the agreement is similar to previous acquisitions. A cash consideration is determined at closing of the agreement, and an additional earn-out amount will be paid out based on development of the EBIT in the financial years 2020, 2021, 2022 and 2023. The Earn-Out payments will be due in the second quarter of the year following the respective earn-out year. The maximum consideration will not exceed 7 times the average EBIT of the respective financial years.

For information related to the acquisition of DONAT Group GmbH and inContext in 2019, refer to the consolidated financial statements for 2019.



Note 4: Segments

Operating segments are aligned with the internal management reporting to the group's chief operating decision makers, defined as the group management team. The operating segments are determined based on the underlying operations and geographical location. The operating segments reported are R&D Services, Solutions and Corporate.

Operating segment performance is evaluated based on operating profit before amortisation and impairment of intangible assets (EBITA). The operating segment performance has in previous periods been measured by EBITDA, however from 1 January 2019 the group has changed to EBITA, as depreciations now are considered to be part of the normal operations and should be included in the measurement of the segment performance. In addition is EBITA more relevant as a measure of the operating profit after the implementation of IFRS 16. To enable comparison with prior periods performance, historical information has also been changed from EBITDA to EBITA.

R&D Services

The R&D Services segment delivers consultancy services, R&D development projects and experienced specialists with extensive technology and industry knowledge.

Solutions

The Solutions segment delivers customised software, embedded computer products, and lifecycle services.

Corporate

Corporate comprises the activities of corporate services, management and group finance.

2020

NOK 1000	R&D Services	Solutions	Corporate ¹	Eliminations ²	Group
External revenue	1 498 557	488 140			1 986 697
Internal revenue	25 247	657	6 150	(32 054)	-
Total revenue	1 523 805	488 797	6 150	(32 054)	1 986 697
Cost of goods sold	505 784	342 493	-	(25 779)	822 498
Employee expenses	689 739	77 310	24 408	-	791 456
Other operating expenses	64 901	17 699	14 186	(6 280)	90 506
Depreciation	31 794	10 750	2 554		45 098
EBITA	231 922	40 550	(34 998)	5	237 475
Amortisation and impairment					33 197
Operating profit/loss					204 277

2019

NOK 1000	R&D Services	Solutions	Corporate ¹	Eliminations ²	Group
External revenue	1 304 399	562 089			1 866 488
Internal revenue	12 115	2 208	8 092	(22 415)	-
Total revenue	1 316 514	564 297	8 092	(22 415)	1 866 488
Cost of goods sold	461 253	388 124	-	(13 914)	835 464
Employee expenses	576 648	76 120	30 666	-	683 434
Other operating expenses	66 156	19 380	15 945	(8 501)	92 980
Depreciation	23 739	11 730	2 941		38 409
EBITA	188 718	68 943	(41 460)	-	216 201
Amortisation and impairment					27 290
Operating profit/loss					188 911

¹ The item "Corporate" includes all transactions recognised in the parent company Data Respons AS.

² The item "Eliminations" includes eliminations of intercompany revenue and expenses.



Revenue is reported to management in four geographic regions: Norway, Sweden, Denmark and Germany.

2020

NOK 1000	R&D Services	Solutions	Eliminations	Group
Norway	138 805	202 290	(4 013)	337 082
Sweden	737 532	116 078	(192)	853 418
Denmark	147 521	59 593	(440)	206 673
Germany	499 947	113 932	(21 254)	592 625
Eliminations	-	(3 095)	(6)	(3 100)
Total revenue	1 523 805	488 797	(25 904)	1 986 697

2019

NOK 1000	R&D Services	Solutions	Eliminations	Group
Norway	126 599	233 759	(13 037)	347 320
Sweden	644 804	135 960	(105)	780 659
Denmark	116 196	82 095	(846)	197 446
Germany	428 987	113 502	(304)	542 185
Eliminations	(72)	(1 019)	(31)	(1 122)
Total revenue	1 316 514	564 297	(14 323)	1 866 488

Major customers

In 2020, the top 10 largest customer of the group accounted for 43% (39%) of the revenues in the group. The group does not disclose a breakdown per customer, as sales revenues for any customer do not exceed 10% of the total revenue in the group.



Note 5: Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the group's revenue from contracts with customers

NOK 1000	2020				2019			
	Solutions	R&D Services	Eliminations	Total	Solutions	R&D Services	Eliminations	Total
Type of goods or service								
Sale of Solutions	453 585	16 356	(39)	469 902	539 025	16 292	(1 266)	554 050
Sale of R&D Services	35 201	1 507 449	(25 865)	1 516 785	25 272	1 300 222	(13 057)	1 312 438
Total revenue	488 797	1 523 805	(25 904)	1 986 697	564 297	1 316 514	(14 323)	1 866 488
Geographical markets								
Norway	202 290	138 805	(4 013)	337 082	233 759	126 599	(13 037)	347 320
Sweden	116 078	737 532	(192)	853 418	135 960	644 804	(105)	780 659
Denmark	59 593	147 521	(440)	206 673	82 095	116 196	(846)	197 446
Germany	113 932	499 947	(21 254)	592 625	113 502	428 987	(304)	542 185
Eliminations	(3 095)	-	(6)	(3 100)	(1 019)	(72)	(31)	(1 122)
Total revenue	488 797	1 523 805	(25 904)	1 986 697	564 297	1 316 514	(14 323)	1 866 488

Contract balances

Set out below is the contract balances of the group's revenue from contracts with customers:

NOK 1000	2020	2019
Trade receivables (Note 16)	395 978	416 333
Contract assets (Note 16)	27 138	9 893
Contract liabilities (Note 19)	39 349	5 492

Contract assets are initially recognised for revenue earned from services as receipt of consideration is conditional on successful completion of the work that was agreed in the service agreement. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. Contract liabilities include long-term advances received to deliver specific solutions and short-term advances received to render services.

Performance obligations

Information about the group's performance obligations are summarised below:

Sale of Solutions

Solutions segment consist of development and delivery of custom solutions by combining engineering services; with standard embedded computer products from leading partners or deliveries of standard embedded computer service. There could be a number of promised solutions or services in the contracts in the Solutions segment; for example development of solutions, delivery of solutions, maintenance on delivered solutions and support on delivered solutions. All these promises are normally seen as separate performance obligations as the customer can benefit from the solution or service either on its own or together with other readily available sources and the service is separately identifiable from the other promises in the contract. The performance obligations are satisfied upon delivery of the solutions and services are satisfied over time. Payment for solutions is generally due within 30 to 90 days from delivery and payment for services is generally due upon milestones, completion and acceptance of the customer.

Sale of R&D Services

R&D Services segment offers consultancy services (specified in a contract or purchase order) for a range of technology related development projects. The performance obligation is satisfied over-time and payment is generally due upon milestones, completion and acceptance of the customer. Performance obligations in the services contracts are typically comprised of specified consultant work explicitly stated in the arrangement. Normally, there are one performance obligation in the services contracts. However, there could be examples of contracts with multiple performance obligations; development, upgrades, enhancements, installation and support. In practical, the assessment of contract performance obligations, have normally no significant effect on the accounting, since the pricing in the different types of service agreements are based on standalone selling prices and is mainly based on the principle "paid by the hour", which means that the service agreements are priced with hourly fees which are satisfied (and accounted) for as the work is performed. Discounts and variable consideration are typically allocated to all of the performance obligations in an arrangement based on their relative standalone selling price.



NOTE 6 - EMPLOYEE EXPENSES AND REMUNERATION

2020

NOK 1000	2020	2019
Wages and salaries	608 874	510 004
Social security tax	116 999	110 824
Pension expenses, defined contribution scheme	36 137	30 512
Other benefits	29 446	32 093

The average number of full time employees in the group was 1 001 (798) and there were 1 003 (1 007) employees at the end of the year. There were 207 (209) female employees in the group, 15 (15) of whom were top or middle managers. In addition to the own employees, the group has 373 (405) subcontractors where the cost is booked as cost of goods sold in the income statement.

The pension expenses are related to defined contribution schemes in the group`s subsidiaries. The group does not have any significant defined benefit pension schemes as of 31 December 2020.

The Norwegian subsidiaries are required to operate a company pension scheme pursuant to the Mandatory Occupational Pension Act, and operates pension schemes that meets these requirements.

Remuneration to the CEO

2020

NOK	Base salary	Bonus	Share options	Pensions	Other benefits	Total remuneration
Chief Executive Officer	3 999 836	1 875 000	21 403 846	81 540	158 763	27 518 984

2019

NOK	Base salary	Bonus	Share options	Pensions	Other benefits	Total remuneration
Chief Executive Officer	3 798 105	1 337 666	7 277 860	79 884	177 097	12 670 612

The CEO and other senior management shall be paid a competitive fixed basic salary and other administrative benefits in line with similar positions in comparable companies. In addition to the fixed salary, the CEO and other senior management have annual variable salaries through bonus agreements in which payments are dependent on achieving goals for profitability improvement, growth and cash flow targets for the company. For the CEO and other senior management the variable salary shall be a maximum of 50% of the fixed base salary.

The CEO and other senior management are covered by the prevailing defined contribution pension schemes on the same terms as other employees. The group does not have any defined benefit pension or insurance schemes. The CEO is entitled to 12 months' salary after termination or amendment of the position/employment.

Data Respons AS established a share option program in April 2019, which was terminated in February 2020. Please refer to the annual report for 2019 for further details on the programme. As of the balance sheet there are no share-based remuneration, share option programs or any outstanding share options in the Group. No loans have been issued from the group to management or to employees as of 31 December 2020.



Bonus shares employees

Pursuant to the share savings program in Data Respons for 2018 and 2019 the participating employees was granted 1 free bonus share after 2 years employment for every 5 shares bought. As of February 2020 the bonus shares was agreed to be delivered to certain employees against no consideration. In connection with the completion of the offer from AKKA Technologies to acquire all outstanding shares in Data Respons in February 2020, all outstanding bonus shares was settled by paying the offer price of NOK 48 per share to the eligible employee. The total amount paid for the bonus shares was NOK 5.142.084.

Remuneration to Board of Directors

NOK	2020		2019	
	Board fee	Fee for Board elected committees	Board fee	Fee for Board elected committees
Erik Langaker (Former Chairman of the Board)	210 000	-	440 000	50 000
Ulla-Britt Fräjdin Hellqvist (Former board Member)	210 000	-	210 000	10 000

The current Board of Directors does not receive board fees from Data Respons AS.

Remuneration to the auditor (excl. VAT)

NOK 1000	2020	2019
Auditing services	3 172	2 846
Other certification services	20	260
Tax advice	50	50
Other non-auditing services	924	1 040
Total remuneration	4 166	4 196

Note 7: Other operating expenses

NOK 1000	2020	2019
Expenses related to premises and equipment	3 621	892
External services	25 715	22 070
IT expenses	17 386	13 734
Travel expenses	10 850	15 740
Office expenses	10 332	8 825
Marketing expenses	8 519	9 560
Equipment expenses	6 764	5 244
Bad debt provisions/losses	(105)	7 825
Other operating expenses	7 424	9 089
Total other operating expenses	90 506	92 980



Note 8: Cost of goods sold

NOK 1000	2020	2019
Cost of goods sold solutions	315 024	376 938
Cost of goods sold subcontractors	500 373	452 690
Freight	6 698	5 747
Other cost of goods sold	67	89
Total cost of goods sold	822 162	835 464

Note 9: Research and development

The group does not have material costs related to research and development activities. As at 31 December 2020, Data Respons has no intangible assets related to product development.

Note 10: Net financial items

NOK 1000	2020	2019
Financial income		
Interest income on cash reserves	1 178	1 218
Realised / unrealised currency exchange gain	9 235	9 417
Other financial income ¹	131 219	52 261
Financial income	141 632	62 895
Financial expenses		
Interest expenses on interest-bearing loans	(5 308)	(8 100)
Interest expenses on earn-out liabilities	(12 979)	(15 149)
Interest expenses on lease liabilities	(3 747)	(2 862)
Realised / unrealised currency exchange loss	(42 519)	(6 969)
Other financial costs ¹	(48 993)	(22 950)
Financial expenses	(113 546)	(56 030)
Net financial items	28 085	6 865

¹ Other financial income include decrease in earn-out liabilities and other financial costs include increase in earn-out liabilities.

¹ Other financial costs include sell side transaction costs of NOK 45 000 million related to AKKA acquisition in 2020



Note 11: Income tax

NOK 1000	2020	2019
Summary of temporary differences		
Receivables	(104)	(8 459)
Other current assets	(121)	(121)
Non-current assets	(7 563)	(7 309)
Leasing liabilities	(2 742)	(1 207)
Pensions	11	14
Total	(10 519)	(17 081)
Untaxed reserves Sweden	8 196	9 575
Tax loss carryforward	(96 447)	(51 982)
Total positive/(negative) temporary differences	(98 770)	(59 488)
Deferred tax asset at current tax rate	25 267	16 619
Of which, deferred tax assets not recognised	8 091	5 378
Deferred tax assets recognised	17 176	11 241
Deferred tax liabilities at current tax rate	67 241	71 975
Deferred tax liabilities recognised	67 241	71 975

The recognised deferred tax asset relates primarily to the tax loss carryforward in Data Respons Solutions A/S. Deferred tax asset recognized equals expected taxable profit for a seven-year period. The tax loss can be carried forward indefinitely. The deferred tax assets not recognised relates primarily to tax losses carried forward in Data Respons Solutions GmbH (NOK 4 706 thousand at 30% tax rate), which due to uncertainties regarding the amount, was not reported as basis for deferred tax asset.

The recognised deferred tax liabilities relate primarily to the intangible assets identified in business combinations. The deferred tax liabilities will be reversed over the amortisation period.

NOK 1000	2020	2019
Income tax for the year consist of		
Income tax payable in Norway	(3)	-
Income tax payable outside Norway	62 262	56 677
Total income tax payable	62 259	56 677
Change in deferred tax in Norway	(7 194)	(26)
Change in deferred tax outside Norway	(7 738)	(7 011)
Total change in deferred tax	(14 932)	(7 037)
Total income tax expense/(revenue)	47 327	49 640

NOK 1000	2020	2019
Calculation of tax base for the year		
Profit/loss before tax	232 363	195 777
22 % tax	51 120	43 071
Tax effect of:		
Permanent differences	(15 359)	(1 027)
Change in not-recognised deferred tax assets	2 579	(1 840)
Adjustment from previous years	(99)	58
Differences in tax rates	9 152	9 378
Change in tax rates	(66)	-
Income tax expense/(revenue) for the year	47 328	49 640
Effective tax rate	20 %	25 %

The effective income tax rate was primarily influenced by non-taxable financial items related to earn-out liabilities and different tax rates in Sweden, Denmark and Germany.



Note 12: Share capital, shareholders and earnings per share

As of 31 December 2020, the registered share capital of Data Respons ASA consisted of 75 510 468 shares with a par value of NOK 0.50. All shares have equal rights. Data Respons has one class of shares and each share carries one vote. Data Respons did not own any treasury shares at 31 December 2020.

Share Capital	Ordinary shares	Nominal value	Share capital
A-shares	75 510 468	0,50	37 755 234

Shareholder	Ordinary shares	Ownership	Voting rights
AKKA Technologies	75 510 468	100,00 %	100,00 %

AKKA Technologies, 143 Avenue Louise 1050 Brussels, owns 100% of the shares in Data Respons AS at the balance sheet date 31 December 2020. As of 31 December 2020 no shares are owned by management and there is no active share option programs or outstanding share options.

NOK 1000	2020	2019
Profit/loss for the year attributable to the company's shareholders	174 373	136 790
Weighted average number of outstanding shares (1000)	75 510	67 813
Earnings per share, basic	2,31	2,02

Note 13: Subsidiaries

The following subsidiaries are included in the consolidated financial statements:

Company	Owned by	Included from	Registered office	Total ownership and voting interest
Data Respons Asia AS	Data Respons AS	17.02.2000	Bærum (NO)	100 %
Data Respons Solutions Norge AS	Data Respons AS	27.11.2001	Bærum (NO)	100 %
Data Respons Solutions AB	Data Respons AS	27.11.2001	Stockholm (SE)	100 %
Data Respons Solutions A/S	Data Respons AS	27.11.2001	København (DK)	100 %
Data Respons Solutions GmbH	Data Respons AS	17.02.2005	Karlsruhe / Erlangen (DE)	100 %
Data Respons R&D Services AS	Data Respons AS	01.04.2006	Bærum (NO)	100 %
Sylog Sverige AB	Data Respons AS	06.07.2007	Stockholm (SE)	83 %
YABS AB	Sylog Sverige AB	08.10.2013	Stockholm (SE)	66 %
iWise AB	Sylog Sverige AB	05.12.2013	Stockholm (SE)	62 %
Sylog Väst AB	Sylog Sverige AB	26.09.2014	Göteborg (SE)	83 %
Sylog Öst AB	Sylog Sverige AB	10.06.2015	Linköping (SE)	71 %
Sylog Epic AB	Sylog Sverige AB	31.08.2016	Stockholm (SE)	66 %
MicroDoc Computersysteme GmbH	Data Respons AS	26.09.2016	Munich (DE)	100 %
MicroDoc Software GmbH	Microdoc Computersysteme GmbH	26.09.2016	Munich (DE)	100 %
TechPeople A/S	Data Respons AS	01.03.2017	Herlev (DK)	100 %
EPOS CAT GmbH	Data Respons AS	30.11.2017	Ingolstadt (DE)	100 %
IT Sonix custom development GmbH	Data Respons AS	10.10.2018	Leipzig (DE)	100 %
XPURE GmbH	Data Respons AS	10.10.2018	Leipzig (DE)	100 %
Sylog Jasper AB	Sylog Sverige AB	05.02.2019	Stockholm (SE)	66 %
inContext AB	Data Respons AS	02.07.2019	Stockholm (SE)	100 %
DONAT Group GmbH	Data Respons AS	03.07.2019	Ingolstadt (DE)	100 %
DONAT IT GmbH	DONAT Group GmbH	03.07.2019	Ingolstadt (DE)	100 %
Sylog Systems AB	Sylog Sverige AB	19.08.2019	Stockholm (SE)	66 %
Data Respons GmbH	Data Respons AS	03.12.2020	Munich (DE)	100 %

CONSOLIDATED FINANCIAL STATEMENTS 2020 - DATA RESPONS GROUP



Note 14: Non-controlling interests

Data Respons controls 83% of shares and voting rights in the subsidiary Sylog Sverige AB, and non-controlling interests hold the remaining 17%. Sylog Sverige AB owns 100% of shares and voting rights in Sylog Väst AB and YABS AB. Sylog Sverige AB also owns 75% of the shares and voting rights in iWise, 80% of shares and voting rights in Sylog Epic AB, Sylog Systems AB and Sylog Jasper AB and 85% of the shares and voting rights in Sylog Öst AB

Effective from 01.01.2020 Sylog Öst AB merged with Atero AB and Sylog Sverige AB increased its share from 80% to 85%. During 2020 the remaining 20% share in YABS AB was acquired by Sylog Sverige AB.

Profit allocated to non-controlling interests were NOK 10 662 thousand (9 346) in 2020. At the end of the year the equity attributable to the non-controlling interests, amounted to NOK 33 990 thousand (29 495).

The non-controlling interests in Sylog Sverige AB is considered material and the financial information are provided below:

NOK 1000	2020	2019
Current assets	253 042	213 876
Non-current assets	60 278	48 618
Current liabilities	231 921	205 502
Non-current liabilities	12 004	6 821
Revenue	638 489	615 289
Profit or loss after tax	32 994	21 536
Dividends paid to non-controlling interests	7 200	6 005

Other non-controlling interests are not considered material on a standalone basis and the summarised financial information are provided below:

NOK 1000	2020	2019
Current assets	102 189	91 403
Non-current assets	35	45
Current liabilities	66 921	63 243
Non-current liabilities	-	-
Revenue	48 109	42 579
Profit or loss after tax	19 670	18 783

The 2020 figures above include the fully owned subsidiaries of Sylog Sverige AB: Sylog Väst AB and YABS AB. The figures also includes Sylog Öst which is owned 85% by Sylog Sverige AB, Sylog Epic AB, Sylog Jasper AB and Sylog Systems AB which are owned 80% by Sylog Sverige AB and iWise which are owned 85% by Sylog Sverige AB

The 2019 figures above include the fully owned subsidiaries of Sylog Sverige AB: Sylog Väst AB and Atero AB. The figures also includes YABS AB, Sylog Öst AB, Sylog Epic AB, Sylog Jasper AB and Sylog Systems AB which are owned 80% by Sylog Sverige AB and iWise which are owned 85% by Sylog Sverige AB.



Note 15: Goodwill, intangible assets, machinery and equipment

NOK 1000	Goodwill	Customer relationship	Other intangible assets	Total intangible assets	Machinery and equipment
Cost or valuation on 1 January 2019	1 030 303	200 115	8 828	1 239 246	86 291
Additions	215 128	90 585		305 713	6 034
Translation differences	(3 826)	(859)	488	(4 197)	(709)
Additions/disposals from acquired/sold companies	5 573		515	6 088	3 481
Cost or valuation on 31 December 2019	1 247 177	289 841	9 831	1 546 849	95 097
Accum. depr. and impairm. on 1 January 2019	147 853	20 229	6 510	174 592	77 909
Depreciation / amortisation for the year		25 405	1 885	27 290	5 949
Impairment				-	
Translation differences		(1 013)		(1 013)	(1 565)
Additions/disposals from acquired/sold companies				-	
Accum. depr. and impairm. on 31 December 2019	147 853	44 621	8 394	200 869	82 292
Net book value on 31 December 2019	1 099 324	245 220	1 436	1 345 980	12 804
Cost or valuation on 1 January 2020	1 247 177	289 841	9 831	1 546 849	95 097
Additions & Disposals	-	-	649	649	5 944
Translation differences	72 186	19 572	595	92 353	3 359
Additions/disposals from acquired/sold companies	-	-	-	-	-
Cost or valuation on 31 December 2020	1 319 363	309 413	11 075	1 639 852	104 399
Accum. depr. and impairm. on 1 January 2020	147 853	44 621	8 394	200 869	82 292
Depreciation / amortisation for the year		32 668	529	33 197	6 390
Impairment				-	
Translation differences		2 910		2 910	2 742
Additions/disposals from acquired/sold companies				-	
Accum. depr. and impairm. on 31 December 2020	147 853	80 199	8 924	236 976	91 424
Net book value on 31 December 2020	1 171 510	229 215	2 152	1 402 876	12 975

No additions of goodwill of customer relationships related to acquisitions during 2020. The Norwegian krone's devaluation against the functional currencies have led to positive effects from translation differences.

Goodwill is recorded in functional currency and as a result, changes in currency exchange rates affect the value of goodwill. Compared to the currency rate at the acquisition date, goodwill was adjusted upwards by NOK 114 872 thousand at the end of 2020, compared to an upwards adjustment of NOK 42 686 thousand at the end of 2019.



Allocation of goodwill

(NOK 1000)	2020	2019
R&D Services Norway	62 000	62 000
R&D Services Sweden - Sylog	110 281	99 786
R&D Services Sweden - inContext	109 703	99 264
R&D Services Denmark	57 617	54 059
R&D Services Germany - Microdoc	175 997	165 802
R&D Services Germany - EPOS CAT	177 598	167 310
R&D Services Germany - IT Sonix	140 381	132 250
R&D Services Germany - XPURE	143 190	134 895
R&D Services Germany - DONAT	134 173	126 401
Solutions Germany - Microdoc	28 898	27 224
Solutions Germany - Data Respons	23 124	21 785
Solutions Norway	8 548	8 548
Total	1 171 510	1 099 324

Impairment test of goodwill

Goodwill recognised through the acquisition of companies and units is allocated to the individual cash generating unit, if the cash flows are still identifiable. The recoverable amount for the cash flow-generating units is calculated based on value in use calculations by using cash flow forecasts for the business operations. Cash flow forecasts are based on budgets approved by the Board of Directors for 2021, with a projection for a five-year period based on the assumptions below. Cash flows beyond the budgeted period are extrapolated using estimated growth rates for the individual units. Future EBIT margin and cash flow is based on the management's best estimate and judgment.

The most significant assumptions for calculation of the recoverable amount are as follows:

Discount rate

A calculated WACC of 7.7% (8.0%) after tax has been used as the discount rate for all units. CGUs in the group are based in the Nordic / Northern European region, and regional differences are estimated to not make a significant impact on the applied WACC rate at the balance sheet date. The corresponding WACC before tax is 9,8% (10,2%). The WACC before tax is calculated by determining the effective discount rate that, applied to the undiscounted pre-tax cash flows, results in the (post-tax) VIU amount.

Revenue growth

Historically the group has achieved a strong growth, and management believe that trend towards a more data-driven society will remain strong. The need for smarter and more software-orientated products, platforms and services is becoming increasingly significant for all our customers. However, as the group is focusing efforts in key markets and downsizing less profitable business units, growth rates are expected to vary among the cash generating units. Expected growth rates in 2021 vary between -10% and 30% (-15 to 22%). Beyond 2021, the group expects growth rates between -5% and 2,5% (-50% to 2%) in the forecasted four-year period.

Extrapolated growth rate

The growth rate beyond five years has been set at 2% (2%) for all units.

EBIT margin

The group has used EBIT margins that reflect management's best estimate of earnings potential in the 5-year period. EBIT margins applied in the calculation of value-in-use range from 5% to 30% (5% to 30%), dependent on past financial performance and expected profit margins for each unit.

Sensitivities

The group has not identified any needs for impairments for any of the groups cash generating units. The recoverable amounts of these CGUs exceed their carrying amounts by significant margins. A sensitivity analysis has been performed for these CGUs, in order to determine if a reasonable change in key assumptions would cause the units' carrying amounts to exceed their recoverable amounts. A reduction in the estimated growth rate by 5 percentage points, a reduction in the estimated EBIT margin by 1 percentage point or an increase in WACC after tax by 1 percentage point would not lead to impairment losses in either of the units.



Other intangible assets

Intangible assets consist of intangible assets recognised at fair value upon the acquisition of companies, licenses and capitalised development expenses. Customer relationship is related to the acquisitions of Microdoc in 2016, EPOS CAT, TechPeople in 2017, IT Sonix & XPURE in 2018 and DONAT and inContext in 2019. Customer relationships are amortised over 10 years, licenses over 3 years and capitalised development expenses over 2.5 – 3 years.

Machinery and equipment

The group use straight-line depreciation for all machinery and equipment. The estimated economic life of machinery and equipment is 3 to 5 years.

Note 16: Trade and other receivables

NOK 1000	2020	2019
Trade receivables	397 118	425 762
Provisions for impairment of receivables	(1 140)	(9 429)
Trade receivables, net	395 978	416 333
Accrued revenue	27 138	9 893
Prepayments	21 043	21 799
Other current receivables	27 120	10 794
Total other receivables	75 301	42 486
Total receivables	471 279	458 820
Provisions as of 1 January	9 429	666
Realised losses	-	-
Changes in provisions for the period	(8 289)	8 763
Provisions as of 31 December	1 140	9 429

Losses on trade receivables are classified as other operating expenses in the income statement. The provision for loss is measured at an amount equal to lifetime expected credit losses. The provision reflects expected credit losses on the trade receivables and is based on an analysis of the overdue receivables. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions

There have been no material provision for bad debt during 2020. Provision for bad debt related to the bankruptcy of READ Group AS was recognized in its entirety in 2019.

NOK 1000	Carrying amount	Not due	Number of days past due date		
			0-30	31-60	61+
Trade receivables as of 31 December 2020	397 118	278 217	90 027	26 389	2 485
Trade receivables as of 31 December 2019	425 762	313 864	84 489	16 960	10 449



Note 17: Cash and cash equivalents

<i>NOK 1000</i>	2020	2019
Cash and bank deposits	273 114	128 066
- of which restricted	(5 297)	(4 718)
Unrestricted cash and cash equivalents	267 817	123 347
Unutilised overdraft facilities	50 000	50 000
Unutilised other credit facilities	280 666	331 068
Cash reserve	598 483	504 415

Data Respons has established a corporate account system in which Data Respons AS is the corporate account holder, while the other group companies are subaccount holders. The bank can set off any withdrawals or deposits against each other. The net position represents the balance between the bank and Data Respons AS. As of 31 December 2020 there was a net positive balance in the corporate account system of NOK 73 844 (24 894) thousand. The overdraft limit for the corporate cash pool system is NOK 50 000 (50 000) thousand, and the group had unrestricted cash outside the cash pool of NOK 193 973 (98 453) thousand.

The group has also a 5 year NOK 400 million revolving credit facility with Swedbank AB and Handelsbanken Norwegian Branch of Svenske Handelsbanken AB. As of 31 December 2020, a total of NOK 119 334 (68 932) thousand was drawn under the credit facilities.

The total unutilised cash reserve for the group at 31 December 2020 is NOK 598 483 (504 415) thousand. Restricted cash consists of employee's tax deductions of NOK 5 297 (4 718) thousand.

The revolving credit facility of NOK 400 million is available to the company for five years until 2023.

Data Respons is subject to certain covenants as part of its revolving credit facilities. Refer to note 22 for details.

Note 18: Inventories

<i>NOK 1000</i>	2020	2019
Goods purchased for resale		
Historical cost	32 739	33 093
Write-down and provisions for obsolescence	(130)	(27)
Book value	32 609	33 067

Note 19: Other current liabilities

<i>NOK 1000</i>	2020	2019
Contract liabilities	39 349	5 492
Accrued wages	79 123	73 614
Accrued expenses	71 520	66 655
Total other current liabilities	189 991	145 762



Note 20: Financial assets and liabilities

Financial instruments and their carrying amounts recognised in the consolidated statement of financial position at 31 December are presented below. There are no significant differences between total carrying value and fair value.

2020

NOK 000

	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount
Financial assets				
Derivative financial assets				-
Other non-current assets		3 116		3 116
Trade receivables		395 978		395 978
Other current receivables		75 301		75 301
Cash and cash equivalents		273 114		273 114
Total financial assets	-	747 509	-	747 509
Financial liabilities				
Non-current interest-bearing loans			194 741	194 741
Non-current earn-out liabilities	113 491			113 491
Current interest-bearing loans			299	299
Current earn-out liabilities	99 271			99 271
Trade payables			172 481	172 481
Total financial liabilities	212 762	-	367 522	580 284

2019

NOK 000

	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount
Financial assets				
Derivative financial assets				-
Other non-current assets		3 106		3 106
Trade receivables		416 333		416 333
Other current receivables		42 486		42 486
Cash and cash equivalents		128 066		128 066
Total financial assets	-	589 991	-	589 991
Financial liabilities				
Non-current Interest-bearing loans			68 642	68 642
Non-current earn-out liabilities	289 317			289 317
Current interest-bearing loans			290	290
Current earn-out liabilities	105 570			105 570
Trade payables			173 570	173 570
Total financial liabilities	394 887	-	242 502	637 389



Note 21: Fair value measurements

NOK 1000	Fair value level	Category	2020	2019
Current earn-out liabilities	3	FVTPL ¹	99 271	105 570
Non-current earn-out liabilities	3	FVTPL ¹	113 491	289 317
Total			212 762	394 887

¹ FVTPL: Fair value through profit and loss

Data Respons has earn-out liabilities that are initially recognised and measured at fair value at the date of acquisition, with any subsequent remeasurements recognised in profit or loss. The fair value of the earn-out liabilities is calculated by estimating the future financial performance of subsidiaries, normally calculated as a multiple of the company's financial performance measured by EBIT.

The earn-out liabilities are classified in the statement of financial position as disclosed in the table above. Re-estimation effects following changes in estimates of future financial performance of subsidiaries are recognised as net financial items in the income statement.

Data Respons has earn-out liabilities in foreign currencies and is as such exposed to currency fluctuations when translating into the group currency NOK. As of 31 December 2020 the total earn-out liabilities consists of EUR 16 924 thousand (31 293) and SEK 34 233 thousand (81 993). In 2020, Data Respons recognised a net foreign currency loss of NOK 35 524 thousand (net gain 2 387) on the earn-out liabilities in foreign currencies.

Changes in earn-out liabilities

NOK 1000	2020	2019
1 January	394 887	377 721
Recognised in the income statement during the year		
- Interest cost	12 947	15 132
- Re-estimation	(130 948)	(31 283)
Recognised in the statement of the financial position during the year		
- Paid during the year	(110 360)	(183 532)
- Issue of shares	-	(91 161)
- Additions from acquired companies	10 712	310 397
- Translation differences	35 524	(2 387)
31 December	212 762	394 887
Classified as current earn-out liabilities	99 271	105 570
Classified as non-current earn-out liabilities	113 491	289 317

Data Respons has re-estimated the earn-out liabilities for DONAT, inContext, EPOS Cat and IT Sonix & XPURE during 2020, resulting in decrease in the earn-out liabilities of NOK 66 472 thousand, NOK 50 935 thousand, NOK 8 945 thousand and NOK 4 594 thousand respectively.

An interest cost related to the earn-out liabilities of NOK 12 947 (15 132) thousand has been expensed as a financial item in the income statement. The earn-out liabilities are interest-free, but since the liabilities are calculated as net present value of future payments, an interest cost needs to be recognised.

The earn-out liabilities are usually settled over specified time period, where the previous owners receive additional payments based on the performance of the acquired company at a specified time period after the acquisition. Earn-out liabilities as of 31 December 2020 relate to the acquisition of EPOS CAT, IT Sonix & XPURE, DONAT, inContext and YABS AB. Remaining earn-out liabilities from the acquisitions will be settled during 2021 - 2023. Refer note 23 for maturity table.

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2020 and 2019 are as shown below:

Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to the fair value
Earn-out liabilities	Long-term growth rate for cash flows for subsequent years	2020: 2.5% - 15% 2.5% - 15%	2019: 1% (1%) increase (decrease) in the growth rate would result in an increase (decrease) in fair value by NOK 7 000 (8 700) thousand
	Long-term operating margin	2020: 5% - 34% 2019: 5% - 30%	1% (1%) increase (decrease) in the margin would result in an increase (decrease) in fair value by NOK 18 500 (20 400) thousand.
	Discount rate	2020: 4-5% 2019: 4-5%	1% (1%) increase (decrease) in the discount rate would result in a decrease (increase) in fair value by NOK 2 100 (6 000) thousand.



Note 22: Interest-bearing loans

NOK 1000	2020	2019
Revolving credit facility	195 041	68 932
Total interest-bearing loans	195 041	68 932
<i>Of which:</i>		
Current interest-bearing loans	299	290
Non-current interest-bearing loans	194 741	68 642

As of 31 December 2020, Data Respons has interest-bearing loans of NOK 119 334 thousand (68 932). The interest-bearing loans are drawn under a revolving credit facility of NOK 400 million with Handelsbanken and Swedbank. Refer to note 23 for a maturity profile of the group's financial interest-bearing loans.

Data Respons made repayments of NOK 130 000 thousand of the revolving credit facility during 2020.

The revolving credit facility has a quarterly interest repayment profile over five years with a lump-sum down payment in May 2023. The revolving credit facility has floating interest rate, NIBOR with a margin set based on a defined leverage ratio. The margin have been stable throughout 2020 at 0.95% per annum.

Data Respons is subject to certain covenants as part of its revolving credit facility. The equity ratio should be minimum 25% for the group, and as of 31 December 2020, the ratio was 55.4% (50.7%). Furthermore, there is a covenant requirement that the leverage ratio should not exceed 3.0. As of 31 December 2020, the ratio was -0.3 (-0.2). The leverage ratio is defined as EBITDA 12 month rolling divided by net interest bearing debt.

Changes in interest-bearing loans

NOK 1000	2020	2019
1 January	68 932	278 140
Cash changes		
- Repayment	(130 000)	(359 000)
- Proceeds	180 000	150 000
- Proceeds AKKA non current loan	75 000	
- Interest and fee payments ¹	(4 433)	(6 898)
Non cash changes		
- Translation differences	-	-
- Accrued interest and fee	5 542	6 690
31 December	195 041	68 932

¹ Interest payments are included in the line interest paid and fee payments are included in the line other financing activities in the consolidated statement of cash flows.



Note 23: Financial risk management

The group's policies for the management of financial risk are approved by the Board of Directors and group management of Data Respons AS. The main objective of financial risk management is to identify, quantify and manage financial risk, and hence reduce the probability for financial losses. The group is exposed to credit risks, liquidity risks, currency risks and interest rate risks. There have been no material changes in the group's objectives, policies or processes for managing capital during the reporting period.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities, primarily its trade receivables and accrued revenue, and from its cash and cash equivalents deposited with banks. Identified default risks for individual customers are reflected in bad debt allowances. Data Respons' customers largely consist of large and medium-sized companies with good solvency and the customer base is diversified into different vertical market segment. Neither of the group's operating segments had any significant concentration of credit risk. Credit checks are performed on new customers. Historically, bad debt losses have been low, and the group does not expect to see any major increase in losses.

Liquidity risk and capital management

Liquidity risk is the risk that the group will not be able to meet its current and future cash flow and collateral requirements without negatively and materially affecting the group's daily operations or overall financial condition and the potential for expansion. The primary objective of Data Respons' capital management is to maintain a healthy capital ratio and financial flexibility to support the group's continued operations and potential expansion, and dividend payments according to the established dividend policy. The group manages liquidity risk through continuous review of future commitments and sources of liquidity. Cash flow forecasts are prepared and adequate utilised financing facilities are monitored on a monthly basis.

The group emphasises financial flexibility. An important part of this emphasis is to minimise liquidity risk through ensuring access to a diversified set of funding sources. The group will finance potential expansions through cash generated by the operational activities, group funding and the use of credit facilities. To cover potential funding needs, the group has secured a revolving credit facility of NOK 400 000 thousand in addition to a overdraft limit in the corporate cash pool system of NOK 50 000 thousand. Refer to note 16 for details on unutilised credit facilities and note 22 for the used credit facilities per 31 December 2020.

The group has 45-90 days in credit terms from the main suppliers. Surplus cash holdings will be kept in interest-bearing bank accounts with reputable banks. As of 31 December 2020 the group has NOK 273 114 (128 026) thousand in cash. The group will primarily finance dividends through cash generated by the operational activities.

The following table shows the maturity profile of the group's financial liabilities based on contractual payments. The amounts disclosed in the table are undiscounted cash flows.

2020

NOK 1000	2021	2022	2023	Total
Interest-bearing loans ¹	1 800	1 492	200 844	204 136
Earn-out liabilities	100 678	95 644	23 954	220 275
Trade payables	172 481			172 481
Total	274 959	97 136	224 798	596 893

2019

NOK 1000	2020	2021	2022	2023	Total
Interest-bearing loans ¹	2 000	2 000	2 000	70 755	76 755
Earn-out liabilities	107 309	147 266	125 382	42 023	421 980
Trade payables	173 570				173 570
Total	282 879	149 266	127 382	112 778	672 305

¹ Note that interest-bearing loans include the forecast future nominal interest payment.



Currency risk

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's operating activities (when revenue or expense is denominated in a foreign currency) and the group's net investments in foreign subsidiaries.

Data Respons has operations in five different countries with five different currencies and is as such exposed to currency fluctuations when translating into the group reporting currency NOK.

As of 31 December 2020, the group has no interest-bearing loans in foreign currency. The group has nevertheless earn-out liabilities in foreign currencies (refer to note 21 for details) and is as such exposed to currency fluctuations when translating into the group currency NOK. A change of +/-10% in the exchange rate between NOK compared to EUR, SEK and DKK will have an impact of approximately +/-NOK 21 300 thousand on the earn-out liabilities in foreign currency.

In addition to the earn-out liabilities above, the group had trade receivables, trade payables and some other current financial assets and liabilities denominated in foreign currencies at 31 December 2020 and under standard credit terms (where applicable). Due to the short term nature of these financial assets and liabilities, the foreign currency risk is considered low.

Exposure from individual subsidiaries vary according to the nature of their business. The R&D Services segment abroad generate a currency exposure for the group on the net profit only, as both revenue and expenses are in the same local currency. Hedging has been deemed unnecessary. For the Solutions segment the exposure is higher, as parts are purchased from different suppliers across the globe and predominately invoiced in USD or EUR. With most of our major customers, the group has entered into a agreements whereby material fluctuations in price of components due to currency, lead to a corresponding adjustment of the selling price. The group then achieves a natural hedge on a significant part of its embedded products and solutions sales. In instances where it is not possible to enter such an agreement with the customer, currency hedges on large deliveries of components will be considered.

The group's activities are global and the foreign currency risk related to its operating activities may change from year-to-year depending on the different jurisdictions the group operates in. In general, the majority of operating revenues and costs are denominated in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rate. The group is exposed to interest rate risk through the group's interest bearing loans with floating interest rates and cash management activities. Changes in interest rates affect the fair value of assets and liabilities. Interest income and interest expense in the income statement are influenced by changes in interest rates in the market.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant:

NOK 1000	Increases/decrease in basic points	
	Effect on profit before tax	
2020	+100	-1 200
	-100	1 200
2019	+100	-900
	-100	900



Note 24: Leases

The group has lease contracts for office buildings, cars, servers, licenses and office equipment. Leases of office buildings have lease terms between 1-5 years, while cars, servers, licenses and office equipment have lease terms between 1-3 years. The group's obligations under its leases are secured by the lessor's title to the leased assets. The group also has certain leases with lease terms of 12 months or less and leases with low value, and the group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

NOK 1000	Total
Cost on 1 January 2019	64 711
Additions & disposals	57 850
Depreciation expense	(32 452)
Translation differences	(386)
Cost on 31 December 2019	89 722
Cost on 1 January 2020	89 722
Additions & disposals	44 706
Depreciation expense	(38 398)
Translation differences	3 727
Cost on 31 December 2020	99 757

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Lease liabilities

NOK 1000	2020	2019
As at 1 January	90 928	64 711
Additions & disposals	44 706	57 850
Accretion of interests	3 744	2 861
Translation differences	3 875	(362)
Payments ¹	(40 755)	(34 131)
As at 31 December	102 498	90 928
Current lease liabilities	36 468	35 009
Non-current lease liabilities	66 030	55 920

¹ The lease payments for office buildings are adjusted for the consumer price index each year. The lease payments for cars and other leasing agreements are fixed.

The following are the amounts recognised in profit or loss:

Amounts recognised in profit & loss

NOK 1000	2020	2019
Depreciation expense of right-of-use assets	38 398	32 452
Interest expense on lease liabilities	3 744	2 862
Expenses relating to short-term leases and low-value assets	2 100	3 400
As at 31 December	44 242	38 714

Set out below is the maturity table for lease liabilities:

Maturity table lease liabilities

NOK 1000	1 year	2 year	3 year	4 years+	Total
Lease liabilities ¹	38 087	30 486	18 020	22 270	108 863

¹ Note that the amounts disclosed are undiscounted cash flows.

The group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The group is also in most contracts restricted from assigning and subleasing the leased assets.



Note 25: Guarantees and commitments

NOK 1000	2020	2019
Guarantees		
Guarantees	6 476	6 387
Book value of secured assets used as collateral		
Trade receivables	45 029	66 060
Inventories	19 078	20 566
Machinery and equipment	3 174	3 045
Shares in subsidiaries	848 113	842 334
Total	915 393	932 005

Guarantees of NOK 5 997 (5 915) thousand have been provided in connection with lease agreements and a guarantee of NOK 479 (472) thousand has been provided to Swedish customs.

Data Respons AS' shares in the subsidiaries Data Respons Solutions AS, Data Respons R&D Services AS, Data Respons Solutions AB, Sylog Sverige AB, TechPeople A/S, Data Respons Solutions A/S, EPOS CAT GmbH and Microdoc Computersysteme GmbH are pledged as security for the revolving credit facility.

The accounts receivable, inventory and machinery & equipment in Data Respons Solutions AS and Data Respons R&D Services AS are also pledged as security for the revolving credit facility. A total lien of NOK 80 000 thousand has been placed on inventories, a total lien of NOK 10 000 thousand as been placed on machinery and equipment and a total lien of NOK 80 000 thousand has been placed on trade receivables.

Note 26: Related parties

There have been no related party transactions in 2020, besides ordinary business transactions between group companies. All transactions within the group are based on ordinary commercial terms using the arm's length principle.

Note 27: Events occurring after the reporting period

Frobese GmbH

Refer to note 3 Business combinations for details related to the process of acquiring 100% of the shares in Frobese GmbH.

Note 28: Covid 19

2020 was an unprecedented year with the global Covid-19 pandemic. Data Respons took all the steps necessary to ensure the health and safety of its employees, subcontractors, customers and partners. At the start of spring 2020, the company quickly adapted its operations so that the employees in all countries were remote working, ensuring full continuity of service to its clients. As a leading player in industrial digitalization, Data Respons has experienced a limited operational impact from Covid-19 for most of its business segments. The company has shown a high degree of resilience and agility during the pandemic, resulting in a continued strong financial performance in 2020



BOARD OF DIRECTORS REPORT

About Data Respons

Data Respons is a full-service technology company and a leading player in the industrial digitalisation, IoT and embedded solutions market. We provide R&D services and smart embedded solutions to OEM companies, system integrators and vertical product suppliers in a range of market segments such as Mobility, Industry Automation, Telecom Media, Space, Defence Security, MedTech, Energy Maritime and Finance and the Public Sector. The headquarter of Data Respons is located at Høvik, Norway, and the company has subsidiaries and offices in Norway, Sweden, Denmark, Germany and Taiwan.

In early 2020 the company became a part of AKKA Technologies SARRL, a global engineering and technology consulting group at the forefront of the digital and connected world. The headquarter of AKKA is in Brussels, Belgium and AKKA is listed on Euronext Paris and Brussels. AKKA acquired Data Respons through a public takeover bid at a price of NOK 48 per share, and Data Respons was delisted from the Oslo Stock Exchange on May 19, 2020. Data Respons was acquired as part of AKKA's desire to strengthen its digital activities. Innovation driven by digital technology, mobility, electrification, and automation will continue to support demand, and the accelerated deployment of its digital strategy will enable AKKA to emerge as a leading player in the industrial digital sector.

2020 was an unprecedented year with the global Covid-19 pandemic. Data Respons took all the steps necessary to ensure the health and safety of its employees, subcontractors, customers and partners. At the start of spring 2020, the company quickly adapted its operations so that the employees in all countries were remote working, ensuring full continuity of service to its clients. As a leading player in industrial digitalization, Data Respons has experienced a limited operational impact from Covid-19 for most of its business segments. The company has shown a high degree of resilience and agility during the pandemic, resulting in a continued strong financial performance in 2020.

Consolidated financial statements

The Company's long-term growth in revenue and improvement in profitability have continued in 2020, with a revenue growth of 6% and a solid EBITA growth of 10%. A combination of organic initiatives, bolt-on acquisitions and strong international expansion explains the continuing positive development. Germany strengthened its position as the fastest-growing geographical region in the group with 30% of total revenue in 2020. Sweden continues to be the largest market with 43% of the revenue, while Norway accounted for 17% and Denmark for 10% of the revenue in Data Respons.

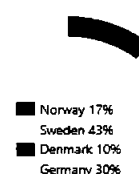
Throughout this report, we compare the consolidated income statement with figures from the same period in 2019 and the statement of financial position with year-end 2019 (in brackets). Revenue for 2020 was NOK 1 987 million (1 867), a growth of 6%. EBITA was NOK 238 million (216), resulting in an EBITA margin of 12% (11.6%). Data Respons had a cash flow from operating activities of NOK 269 million (203). The total number of employees on 31 December 2020 was 1 376 (1 412) including subcontractors.

CONSOLIDATED FINANCIAL STATEMENTS 2020 - DATA RESPONS GROUP

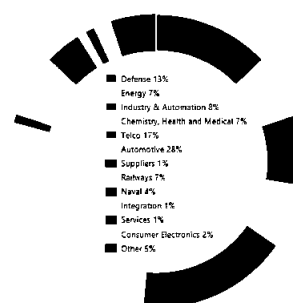
KEY FIGURES

NOK million	2020	2019
Revenue	1 986 7	1 866 5
EBITA	237 5	216 2
NOCF	269 3	203 2
Own employees	1 003	1 007
Subcontractors	373	405

Revenues by COUNTRIES



Revenues by INDUSTRIES





DATA RESPONS CONTINUED ITS RECORD BREAKING PERFORMANCE IN 2020

The Company's book value of total assets at 31 December 2020 was NOK 2 312 million (2 083). Current assets totalled NOK 777 million (620) and current liabilities were NOK 590 million (539). On 31 December 2020, non-current assets totalled NOK1 1536 million (1 463), of which other intangible assets including goodwill totalled NOK 1 403 million (1 346). The Company's equity was NOK 1 281 million (1 057), resulting in an equity ratio of 55.3% (50.7%).

The cash balance on 31 December 2020 was NOK 273 million (of which NOK 5 million is restricted). The Company had interest bearing loans of NOK 195 million (69) which are drawn under the Company's credit facilities of NOK 450 million. The estimated fair value of earn out liabilities at the end of the year was NOK 213 million (395) of which NOK 99 million (106) are current. The net operating cash flow in 2020 was NOK 269 million (203).

Outlook

Data Respons has a solid and well-balanced customer base across several industries, which is based on our strong competence within industrial IoT, digitalisation and embedded technologies. Our geographical footprint, coupled with more than 30 years of experience, has given the Company relevant vertical competence within these areas. The range of services we are providing broadens as we continue to grow. We are steadily becoming an increasingly business-critical component to the digitalisation processes for many of the largest European companies.

The market consensus is that industrial digitalisation, automation, IoT and software will continue to experience growth in the coming years. The introduction of 5G technology will most likely speed up these megatrends, and thus the need for the Data Respons solutions and services. Based on the feedback from our customers and partners, the Company expects markets to grow for IoT devices, automation and robotics, advanced communications solutions, connected and integrated systems and the use of consumer-based technologies (mobility, digitalisation). In addition, there is a growing demand for cost-effective and robust solutions to demanding

environmental conditions, areas in which Data Respons has strong competence and experience.

The Company believes that the trend towards a more data-driven society will remain strong. The need for smarter and more software-orientated products, platforms and services is becoming increasingly significant for all our customers. Higher degrees of automation, digitalisation, and incorporation of the internet of things are driving forces in all our markets. There is also an increasing focus on sustainability-oriented technology projects across our customer base. Data Respons is well-positioned as a complete technology partner for industrial digitalisation and smarter embedded and IoT solutions in the Nordic and German markets. The Company is diversified in a wide range of vertical industries and has a balanced portfolio of blue-chip customers.

The overall market outlook remains attractive, and we see opportunities in all our key markets. Data Respons seeks to continue its growth through a combination of organic development and selective bolt-on acquisitions in the Nordics and Germany.

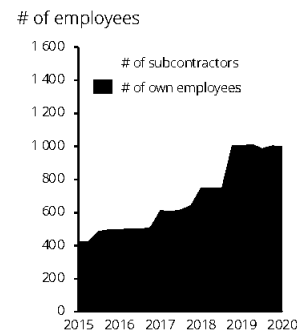
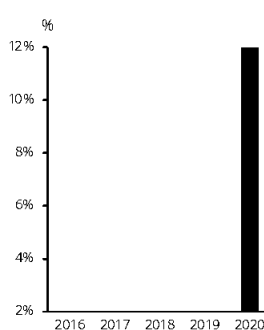
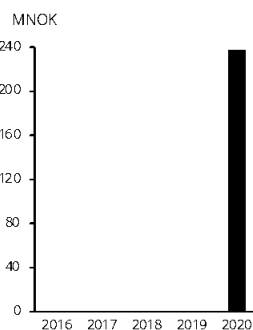
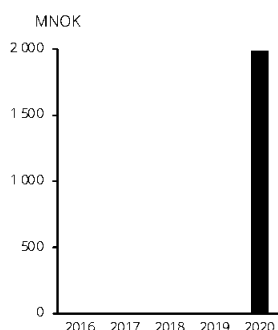
Data Respons' main goals are profitable growth and a strengthened position in key markets. Based on current demand from our customers, a focused organisation and a strong order backlog, the Company expects growth, increased profitability and a positive cashflow from operations going forward.

Revenues
1 987

EBITA
238

EBITA margin
12%

of employees
1 376





Financial, credit and liquidity risk

Data Respons AS' finance department manage the financial risk, and the Board of Directors and group Management of Data Respons AS approve the group's policies for the management of financial risk. The main objective of financial risk management is to identify, quantify and manage financial risk.

The group is exposed to credit risk from its operating activities, primarily its trade receivables and accrued revenue through its subsidiaries (Indirectly risk element), and from its cash and cash equivalents deposited with banks. The risk for losses on receivables is low, due to the stable market Data Respons operate with and the low credit risk of the large and solid customers on the customer list of Data Respons.

In addition to credit risk, there is also liquidity risk which is the risk that Data Respons AS will not be able to meet its current and future cash flow and collateral requirements without negatively and materially affecting the company's daily operations or overall financial condition and the potential for expansion. Data Respons also has exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency) and the company's net investments in foreign subsidiaries. Furthermore, Data Respons is exposed to interest rate risk through the company's interest-bearing loans with floating interest rates and cash management activities.

Going Concern

In accordance with the Norwegian Accounting Act § 3.3a the Board confirms that Data Respons AS fulfils the requirements necessary to operate as a going concern, and the 2020 financial statements have been prepared on the basis of this assumption. The assumption is based on profit forecast for the upcoming years, and the long-term strategic forecasts. Data Respons AS' economic and financial position is sound. Data Respons AS has prepared the financial statement in accordance with simplified IFRS and the Norwegian Accounting Act.

Environmental, Social and Governance reporting

Environmental

Taking responsibility is a core value at Data Respons AS. We strive to address some of the challenges the world is facing in order to contribute to a more sustainable future. Data Respons have mapped the carbon emissions across all the companies invested in for 2019 and have set several actions for reducing our carbon footprint in order to reach our ambition to be carbon neutral by 2025.

Data Respons is also seeing a steady increase in the number of customer projects with a direct positive effect on the UN Sustainable development goals. The number of relevant customer projects have gone from 50 a year in 2018 to 100 in 2020.

Social

Keeping our employees healthy and ensuring their well-being is important to Data Respons. Better health fosters lower sick leave and a joyful work environment, which again results in improved performance at work – supporting our high-performance culture. During 2020 the COVID-19 outbreak became a global pandemic. Our priorities in the pandemic have been to safeguard our employees, subcontractors, customers, suppliers, partners as well as the society at large, and keep our operations running, and ensuring continuity in our support to the customers with business-critical projects, solutions and services. Average sick leave over the course of the year 2020 was 2.6 % (2.5% in 2019), and none of the subsidiaries recorded work related accidents that resulted in serious personal injury or property damage. There were also no recorded violations of our Code of Conduct through the year.

Diversity, with respect to both gender and ethnicity, can offer significant competitive advantages. Although achieving a gender balance is challenging in a world with few female computer engineers, the company and its subsidiaries works to promote the profession among young engineers and strives to increase the share of female engineers and encourage female leaders. Data Respons have managed to increase the number of female employees' year-on-year.

Governance

Building trust through good corporate governance is key to the license to operate for every company. Data Respons continue to identify ways to improve on transparency, supply chain management and professional conduct to name a few core areas. In 2019 we made a comprehensive Code of Conduct that was launched in 2020 together with an updated whistle-blower service. Also, we launched a Supplier Conduct Principles in 2019.

Allocation of the result for the year

Data Respons AS achieved a profit before tax of NOK 60.7 million (57,5) in 2020. Profit for the year was NOK 67.8 million (58.7). Due to AKKAs acquisition of the shares in Data Respons ASA, the Board of Directors in Data Respons has not made any proposal for dividends for 2020. The Board of Directors therefore proposes that the entire profit for the year for Data Respons AS be transferred to retained earnings.

THE BOARD OF DIRECTORS OF DATA RESPONS AS HØVIK, 14th JUNE 2021

Mauro Ricci
CHAIRMAN OF THE BOARD

Kenneth Ragnvaldsen
CHIEF EXECUTIVE OFFICER

Nathalie Buhnemann
MEMBER OF THE BOARD

Lars Peters
MEMBER OF THE BOARD



Statsautoriserte revisorer
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Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Data Respons AS

Report on the audit of the financial statements

Opinion

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

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2020 and their financial performance and 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 and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of 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 and using the



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going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

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

Independent auditor's report - Data Respons AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: 5QMOT-MCOZB-PZCZ7-VDLGP-4I2M6-BJ8TV



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Opinion on registration and documentation

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

Oslo, 23 June 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Leiv Aschehoug
State Authorised Public Accountant (Norway)

Pemso Dokumentnøkkel: SQMQT-MCOZB-P2C27-VDLGP-4I2M6-B18TV



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Leiv Thorkil Aschehoug

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5999-4-979477

IP: 77.16.xxx.xxx

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**PROTOKOLL FRA ORDINÆR
GENERALFORSAMLING**

**MINUTES OF
ANNUAL GENERAL MEETING**

I

OF

DATA RESPONS AS
(ORG. NR. 971 125 756)

DATA RESPONS AS
(REG. NO. 971 125 756)

Den 24. juni 2021 ble det holdt ordinær generalforsamling i Data Respons AS ("**Selskapet**"). Generalforsamlingen ble avholdt ved skriftlig behandling (dvs. sirkulasjon av dokumenter) uten å følge kravene i aksjeloven §§ 5-8 til 5-16, da Selskapets eneaksjeeier hadde samtykket til slik behandling, jf. aksjeloven § 5-7.

The annual general meeting of Data Respons AS (the "**Company**") was held on 24th June 2021. The general meeting was held by written procedure (i.e. circulation of documents) without following the requirements set forth in sections 5-8 to 5-16 of the Norwegian Private Limited Liability Companies Act (the "**Companies Act**"), as the Company's sole shareholder had consented to such procedure, cf. section 5-7 of the Companies Act.

Selskapets eneaksjeeier AKKA Technologies SE deltok i behandlingen. Dermed var samtlige aksjer og stemmer representert. Generalforsamlingen utpekte CEO Kenneth Ragnvaldsen til å signere protokollen fra ordinær generalforsamling.

The Company's sole shareholder AKKA Technologies SE participated in the proceedings. Thus, all the shares and votes were represented. The general meeting appointed CEO Kenneth Ragnvaldsen to sign the minutes from the annual general meeting.

Styrets medlemmer og revisor har fått mulighet til å uttale seg om sakene på agendaen og ingen av de nevnte personer har fremsatt innvendinger mot at generalforsamlingen avholdes ved forenklet behandling etter aksjeloven § 5-7.

The board members and the auditor have been given the opportunity to comment on the matters on the agenda and none of said persons have objected to the general meeting being held by simplified procedure in accordance with section 5-7 of the Companies Act.

Følgende saker ble behandlet:

The following matters were resolved:

**1 GODKJENNELSE AV ÅRSREGNSKAP
FOR REGNSKAPSÅRET 2020**

**1 APPROVAL OF THE ANNUAL
ACCOUNTS FOR THE FINANCIAL YEAR
2020**

Generalforsamlingen fattet følgende vedtak:

The general meeting passed the following resolution:

Styrets forslag til årsregnskap for regnskapsåret 2020 godkjennes.

The board of directors' proposal regarding the annual accounts for the financial year 2020 is approved.

**2 GODKJENNELSE AV REVISORS
GODTGJØRELSE**

2 APPROVAL OF THE AUDITOR'S FEE

Generalforsamlingen fattet følgende vedtak:

The general meeting passed the following resolution:

Revisor godtgjøres etter regning for revisjon og revisjonsrelaterte tjenester for regnskapsåret 2020.

The auditor receives remuneration as invoiced for audit and audit related services during the financial year 2020.

* * *

* * *

Samtlige beslutninger var enstemmige.

All decisions were passed unanimously.



Mer forelå ikke til behandling.


There were no further matters to be discussed.

* * *

[Signature page follows]



[Signature page minutes of annual general meeting of Data Respons AS 24th June 2021]



Kenneth Ragnvaldsen
CEO

VEDLEGG / APPENDICES

- 1 Styrets forslag til årsregnskap for regnskapsåret 2020, samt revisors beretning / The board of directors' proposal for the annual accounts for the financial year 2020, including the auditor's report



MINUTES FROM BOARD MEETING

OF

DATA RESPONS AS

(REG. NO. 971 125 756)

On 14 June 2021, a board meeting of Data Respons AS (the "Company") was held.

The board meeting was held by circulation of these minutes as the chairman of the board considered this adequate with respect to the matters to be dealt with, cf. Section 6-19 of the Private Limited Liability Companies Act (the "Companies Act").

Mauro Ricci (chairman), Lars Peters and Nathalie Charlotte Josette Buhneemann participated in the meeting. Accordingly, all directors participated and a quorum was formed, cf. Section 6-24 of the Companies Act.

The following matters were considered:

1 APPROVAL OF THE ANNUAL ACCOUNTS AND THE ANNUAL REPORT FOR THE FINANCIAL YEAR 2020, INCLUDING DISTRIBUTION OF DIVIDEND

The members of the board of directors has received final drafts of the annual accounts and the annual report for the financial year 2020. Based on the received drafts, the board resolved to approve the annual accounts and the annual report for the financial year 2020.

On the above basis, the board of directors resolved to propose that the general meeting adopts the following resolution:

"The board of directors' proposal regarding the annual accounts for the financial year 2020 is approved. No dividends are distributed for the financial year 2020."

2 APPROVAL OF THE AUDITOR'S FEE

The board of directors resolved to propose that the general meeting adopts the following resolution:

"The auditor receives remuneration as invoiced for audit and audit related services during the financial year 2020."

3 NOTICE OF ORDINARY GENERAL MEETING

The board of directors resolved to call for an ordinary general meeting to assess the proposals set out above. The general meeting will be held without a physical meeting in accordance with sections 5-7 and 5-7a of the Norwegian Private Limited Liability Companies Act.

* * *

All resolutions were unanimous.

There were no further matters to be discussed. The general meeting was thereafter adjourned.

15930554/1

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NB
DR



Lars Peters

Mauro Ricci
(styreleder/chairman)

Nathalie Charlotte Josette Buhemann



Skatteetaten

Vår dato
25.01.2021

Din/Deres dato
08.01.2021

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
32212244

Org.nr
974761076

Vår referanse
2021/5027604

Postadresse
Postboks 9200 Grønland
0134 OSLO

DATA RESPONS AS
Postboks 489
1323 HØVIK

Att. Dag Ådne Hatlevoll

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Data Respons AS, org.nr. 971 125 756

Vi viser til deres brev av 8. januar 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Data Respons AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Data Respons AS 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

Data Respons AS er eid av et utenlandsk selskap som er en del av et internasjonalt konsern. Selskapet driver virksomhet innen IT-teknologi, og fungerer som holdingselskap for underkonsernet som består av datterselskaper i Norge, Sverige, Tyskland samt et kontor i Taiwan. 80 % av både omsetningen og antall ansatte er utenfor Norge. Morselskapets arbeidsspråk er engelsk, og kommunikasjon med kunder og leverandører foregår for det meste på engelsk. Flere av styremedlemmene i selskapet er utenlandske.

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.

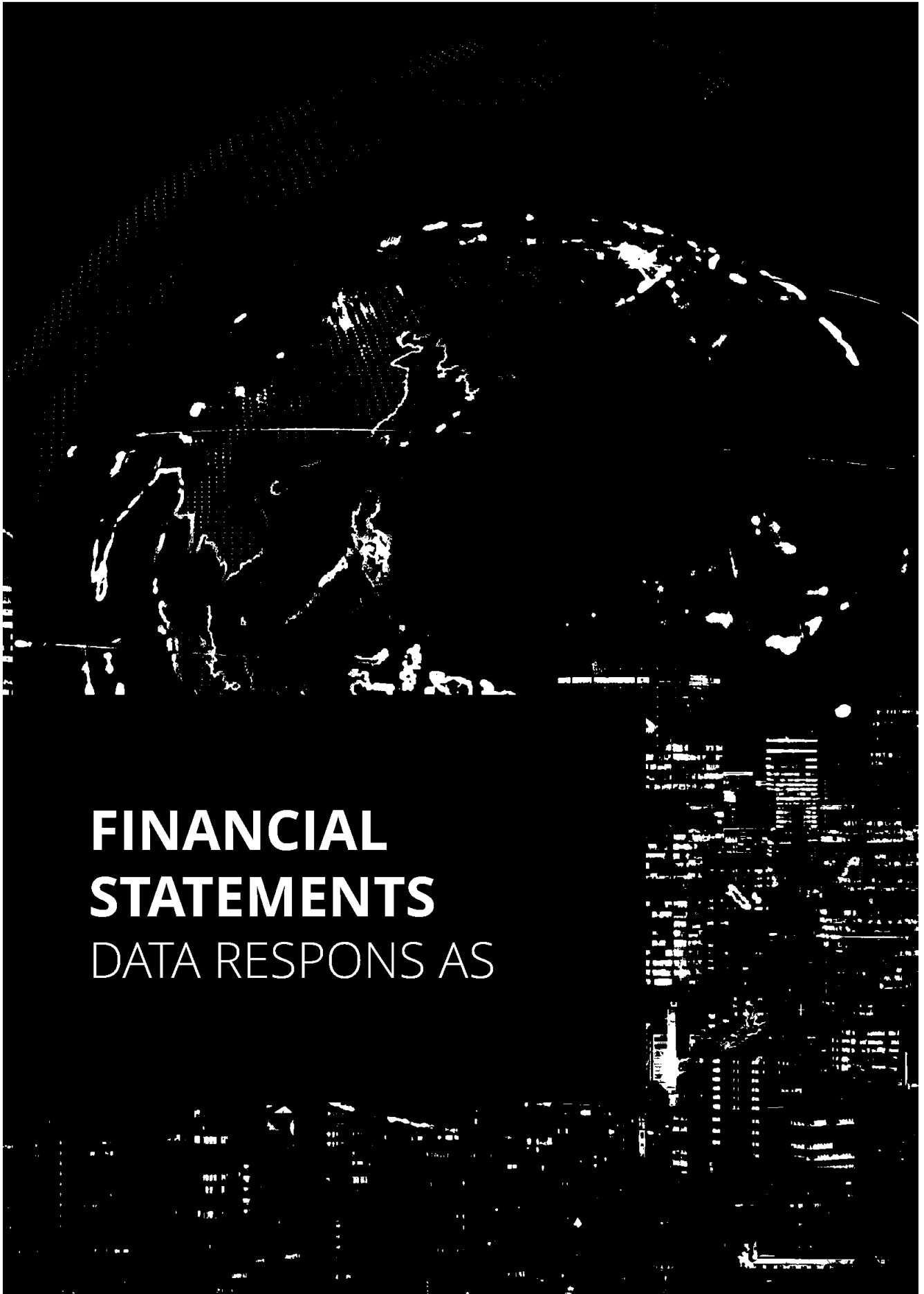
Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er direkte eid av et utenlandsk selskap og inngår i et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



**FINANCIAL
STATEMENTS**
DATA RESPONS AS



STATEMENT OF COMPREHENSIVE INCOME
DATA RESPONS AS

<i>NOK 1000</i>	<i>Note</i>	2020	2019
Revenues		6 150	8 092
Employee expenses	2	24 408	30 666
Depreciation	6,12	2 554	2 941
Other operating expenses	3	14 186	15 945
Operating profit/loss		(34 998)	(41 460)
Income from investments in subsidiaries	10	145 868	108 937
Financial income	4	7 101	2 665
Financial expenses	4	-57 238	-12 660
Profit/loss before tax		60 733	57 482
Income tax expense	5	7 085	1 219
Profit/loss for the year		67 818	58 701
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		-	-
Total comprehensive income		67 818	58 701



STATEMENT OF FINANCIAL POSITION
DATA RESPONS AS

<i>NOK 1000</i>	<i>Note</i>	2020	2019
ASSETS			
Intangible assets	6	579	-
Deferred tax assets	5	18 888	11 803
Machinery and equipment	6	1 237	1 562
Right-of-use assets	12	5 994	6 520
Shares in subsidiaries	9	1 423 659	1 507 752
Total non-current assets		1 450 356	1 527 637
Trade receivables	11	490	92
Other current receivables		554	1 143
Cash and cash equivalents		711	740
Total current assets		1 756	1 974
Total assets		1 452 112	1 529 612



STATEMENT OF FINANCIAL POSITION
DATA RESPONS AS

<i>NOK 1000</i>	<i>Note</i>	2020	2019
EQUITY			
Issued capital		37 755	37 755
Share premium		840 985	840 985,445
Retained earnings		41 140	24 229
Total equity		919 881	902 969
LIABILITIES			
Interest-bearing loans	8	194 741	68 642
Non-current earn-out liabilities	7	106 144	289 317
Non-current lease liabilities	12	4 508	4 592
Total non-current liabilities		305 393	362 550
Current interest-bearing loans	8	299	290
Current loans group companies	11	111 491	141 457
Current lease liabilities	12	1 595	2 012
Trade payables	11	1 757	2 188
Public duties payable		1 225	7 542
Current earn-out liabilities	7	96 453	102 223
Other current liabilities		14 018	8 379
Total current liabilities		226 839	264 092
Total liabilities		532 231	626 642
Total equity and liabilities		1 452 112	1 529 612

THE BOARD OF DIRECTORS OF DATA RESPONS AS
HØVIK, 14th JUNE 2021

Mauro Ricci
CHAIRMAN OF THE BOARD

Kenneth Ragnvaldsen
CHIEF EXECUTIVE OFFICER

Nathalie Buhnemann
MEMBER OF THE BOARD

Lars Peters
MEMBER OF THE BOARD



STATEMENT OF CHANGES IN EQUITY DATA RESPONS AS

<i>NOK 1000</i>	<i>Note</i>	Issued capital	Share premium	Other equity	Total equity
Equity on 1 January 2019		29 159	396 510	39 154	464 823
Profit for the year				58 701	58 701
Total comprehensive income for the year		-	-	58 701	58 701
Dividends				-58 317	(58 317)
Employee share option scheme	6*			-15 310	(15 310)
Issue of share capital	12*	8 597	444 475		453 072
Equity on 31 December 2019		37 755	840 985	24 227	902 969
Profit for the year				67 818	67 818
Total comprehensive income for the year		-	-	67 818	67 818
Dividends				-	-
Employee share option scheme	6*			-45 765	(45 765)
Settlement of bonus shares	6*			-5 142	(5 142)
Equity on 31 December 2020		37 755	840 985	41 141	919 881

** Refers to group disclosures for details*



STATEMENT OF CASH FLOWS DATA RESPONS AS

NOK 1000	Note	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income tax		60 733	57 482
Income tax paid		-	-
Depreciation, amortisation and impairment	6,12	2 554	2 941
Employee share option scheme		611	2 388
Net financial items		-95 973	-98 763
Changes in working capital:			
- Trade receivables		-398	41
- Trade payables		-432	824
- Other current assets / liabilities		-180	5 939
Net currency (gains) losses relating to operating activities		891	-1 024
Other adjustments		0	91
Net cash flow from operating activities		(32 195)	(30 081)
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of subsidiaries, net of cash acquired		-104 586	-271 114
Dividends from subsidiaries	10	95 157	72 537
Group contributions received	10	50 711	36 400
Purchase of machinery and equipment	6	-337	-1 304
Other investing activities		-609	339
Net cash flow from investing activities		40 337	(163 141)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of interest-bearing loans	8	-130 000	-359 000
Proceeds of interest-bearing loans	8	255 000	150 000
Net change in group internal loans	11	-29 966	37 140
Proceeds from issue of shares		-	468 995
Transaction cost on issue of shares		-	-15 923
Interest paid		-3 702	-8 588
Sale / (purchase) of treasury shares	6*	-51 517	-17 698
Dividends paid to equity holders of the company		-	-58 317
Repayment of lease liabilities	12	-2 037	-2 285
Other financing activities	4	-45 948	-1 021
Net cash flow from financing activities		(8 171)	193 304
Net change in cash and cash equivalents		(29)	81
Cash and cash equivalents at the start of the period		740	659
Exchange gains/losses on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		711	740

* Refers to group disclosures for details



NOTES TO THE FINANCIAL STATEMENTS

CONTENTS NOTES

- | | |
|---|---|
| 1. General information and summary of significant accounting policies | 7. Fair value measurements |
| 2. Employee expenses and remuneration to auditors | 8. Interest-bearing loans |
| 3. Other operating expenses | 9. Subsidiaries |
| 4. Net financial items | 10. Income from investments in subsidiaries |
| 5. Income tax | 11. Intercompany balances |
| 6. Intangible assets, machinery and equipment | 12. Leases |



Note 1: General information and summary of significant accounting principles

Data Respons AS is a holding company and contains the corporate services, management and group finance.

The financial statement for Data Respons AS has been prepared in accordance with simplified IFRS and the Norwegian Accounting Act.

Data Respons AS's accounting principles are consistent with the accounting principles for the Group, as described in note 1 of the consolidated financial statements. Where the notes for the parent company are substantially different from the notes for the group, these are shown below. Otherwise, refer to the notes to the consolidated financial statements.

Shares in subsidiaries are valued in accordance with the historical cost method. Any impairment losses and reversal of impairment losses are classified as net gains (loss and impairment) on financial assets in the income statement. Any contingent consideration, resulting from an investment in subsidiaries, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. Re-estimation effects in earn-out liabilities following changes in estimates of future financial performance of subsidiaries are recognised as part of the cost of the shares in Data Respons AS.

Data Respons AS uses the indirect method for the statement of cash flows. Cash and cash equivalents consist of liquid assets, short-term placements and drawings from cash pool. Net change in group internal drawing rights are loans to, and placements from group companies. These loans and placements have high turnover and are presented net.

Revenues are mainly sale of group services to other group companies.

Note 2: Employee expenses and remuneration to auditors

<i>NOK 1000</i>	2020	2019
Wages and salaries	18 450	16 283
Social security tax	3 010	10 096
Pension expenses, defined contribution scheme	444	462
Other benefits	2 503	3 824
Total employee expenses	24 408	30 666

The average number of FTEs during the financial year was 7 (7). There was 2 (2) female employees in Data Respons AS, 1 (1) of whom were top or middle managers. Data Respons AS is required to operate a company pension scheme pursuant to the Mandatory Occupational Pension Act, and operates a pension scheme that meets this requirement. This scheme covered a total of 7 people in 2020.

Remuneration to the auditor (excl. VAT)

<i>NOK 1000</i>	2020	2019
Auditing services	391	461
Other certification services	-	244
Other non-auditing services	843	1 040
Total remuneration	1 234	1 746



Note 3: Other operating expenses

<i>NOK 1000</i>	2020	2019
Lease of premises	-	-
External services	10 298	10 369
IT expenses	670	1 841
Travel expenses	478	1 372
Office expenses	152	164
Marketing expenses	2 046	1 577
Other operating expenses	542	621
Total other operating expenses	14 186	15 945

Note 4: Net financial items

<i>NOK 1000</i>	2020	2019
Financial income		
Interest income on cash reserves	305	339
Realised / unrealised currency exchange gain	6 796	2 326
Other financial income	-	-
Financial income	7 101	2 665
Financial expenses		
Interest expenses on interest-bearing loans	(4 739)	(7 730)
Interest expenses on lease liabilities	(242)	(179)
Realised / unrealised currency exchange loss	(3 540)	(2 202)
Other financial costs	(48 716)	(2 549)
Financial expenses	(57 238)	(12 660)
Net financial items	(50 137)	(9 995)

¹Other financial costs include sell side transaction costs of NOK 45 000 million related to AKKA acquisition in 2020



Note 5: Income tax

NOK 1000	2020	2019
Summary of temporary differences		
Non-current assets	(1 129)	(1 280)
Leasing	(109)	(84)
Group contributions ¹	(43 446)	(50 711)
Total	(44 684)	(52 074)
Tax loss carryforward	(41 171)	(1 577)
Total positive/(negative) temporary differences	(85 855)	(53 651)
Deferred tax asset at current tax rate	18 888	11 803
Of which, deferred tax assets not recognised	-	-
Deferred tax assets recognised	18 888	11 803
Deferred tax liability at current tax rate	-	-
Deferred tax liability recognised	-	-
NOK 1000	2020	2019
Income tax for the year consist of		
Income tax payable	-	-
Total income tax payable	-	-
Change in deferred tax	(7 085)	(1 219)
Total change in deferred tax	(7 085)	(1 219)
Total income tax expense/(revenue)	(7 085)	(1 219)
NOK 1000	2020	2019
Calculation of tax base for the year		
Profit/loss before tax	60 733	57 482
22 % tax	13 361	12 646
Tax effect of:		
Permanent differences	(20 446)	(13 865)
Change in tax rates	-	-
Income tax expense/(revenue) for the year	(7 085)	(1 219)
Effective tax rate	-12 %	-2 %

¹ In accordance with IFRS, group contributions are entered as income in the parent company the year after the allocation for tax purposes in the subsidiaries.



Note 6: Intangible assets, machinery and equipment

<i>NOK 1000</i>	Intangible assets	Machinery and equipment
Cost or valuation on 1 January 2019	481	15 767
Additions	-	1 304
Cost or valuation on 31 December 2019	481	17 070
Accum. depr. and impairm. on 1 January 2019	468	14 770
Depreciation / amortisation for the year	13	738
Accum. depr. and impairm. on 31 December 2019	481	15 508
Net book value on 31 December 2019	-	1 562
Cost or valuation on 1 January 2020	481	17 070
Additions	649	337
Cost or valuation on 31 December 2020	1 130	17 407
Accum. depr. and impairm. on 1 January 2020	481	15 508
Depreciation / amortisation for the year	71	662
Accum. depr. and impairm. on 31 December 2020	552	16 170
Net book value on 31 December 2020	579	1 237

Note 7: Fair value measurements

<i>NOK 1000</i>	Fair value level	Category	2020	2019
Current earn-out liabilities	3	FVTPL ¹	96 453	102 223
Non-current earn-out liabilities	3	FVTPL ¹	106 144	289 317
Total			202 597	391 540

¹ FVTPL: Fair value through profit and loss

Refer to note 21 - Group for information about earn-out liabilities.

Note 8: Interest-bearing loans

<i>NOK 1000</i>	2020	2019
Revolving credit facility	195 041	68 932
Intercompany Loan AKKA Technologies SE	75 696	-
Total interest-bearing loans	270 737	68 932
<i>Of which:</i>		
Current interest-bearing loans	299	290
Non-current interest-bearing loans	270 438	68 642

Refer to note 22 - Group for information about interest-bearing loans.



Note 9: Subsidiaries

NOK 1000

Company	Currency	Issued capital	Ownership	Book value (NOK 000)
Data Respons Solutions AS	NOK	555	100 %	65 293
Data Respons R&D Services AS	NOK	832	100 %	97 940
Data Respons Asia AS	NOK	100	100 %	-
Data Respons Solutions AB	SEK	100	100 %	24 377
Sylog Sverige AB	SEK	100	83 %	64 477
Data Respons Solutions A/S	DKK	2 277	100 %	22 050
MicroDoc Computersysteme GmbH	EUR	100	100 %	273 132
Data Respons Solutions GmbH	EUR	52	100 %	52 056
EPOS CAT GmbH	EUR	50	100 %	239 334
TechPeople A/S	DKK	500	100 %	61 510
IT Sonix custom development GmbH	EUR	25	100 %	162 005
XPURE GmbH	EUR	25	100 %	162 005
DONAT Group GmbH	EUR	102	100 %	100 129
inContext AB	SEK	100	100 %	99 087
Data Respons GmbH	EUR	25	100 %	264
Total subsidiaries				1 423 659

In 2020, Data Respons AS established a new company Data Respons GmbH in Germany.

The impairment test performed as of 31 December 2020 did not result in any impairment of book value of the investments. The impairment tests for book value of subsidiaries were based on the same assumptions as used in the impairment test of goodwill in the group accounts. See note 15 – Group for further information.

Note 10: Income from investments in subsidiaries

Income from investments in subsidiaries in both 2020 and 2019 relates to received group contributions and dividends from equity accumulated during the period of ownership by Data Respons AS.

Note 11: Intercompany balances

NOK 1000

	Trade receivables		Trade payables	
	2020	2019	2020	2019
Data Respons Solutions AS	107	15	68	151
Data Respons R&D Services AS	250	32	-	2
IT Sonix custom development GmbH	-	-	52	49
Data Respons Solutions AB	29	4	-	-
Sylog Sverige AB	12	-	-	-
Data Respons Solutions A/S	24	3	-	-
Data Respons Solutions GmbH	69	37	10	-
Total	490,253	92	130	202

Data Respons AS had an overdraft in the corporate cash pool of NOK 111 491 (141 457) thousand at 31 December 2020, presented as short term loans from group companies in the statement of financial position.

Note 12: Leases

Data Respons AS has lease contracts for the head office building, cars, servers, licenses and office equipment. Lease of the head office building in Høvik has lease terms of 5 years and ends in 2025. Cars, servers, licenses and office equipment have lease terms between 1-3 years. Data Respons AS's obligations under its leases are secured by the lessor's title to the leased assets. Data Respons AS also has certain leases with lease terms of 12 months or less and leases with low value. Data Respons AS applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Right-of-use assets

NOK 1000

	Total
Cost on 1 January 2019	3 396
Additions & disposals	5 313
Depreciation expense	(2 190)
Translation differences	-
Cost on 31 December 2019	6 520
Cost on 1 January 2020	6 520
Additions & disposals	1 295
Depreciation expense	(1 821)
Translation differences	-
Cost on 31 December 2020	5 994



Set out below are the carrying amounts of lease liabilities and the movements during the period:

Lease liabilities	2020	2019
NOK 1000		
As at 1 January	6 603	3 396
Additions & disposals	1 295	5 313
Accretion of interests	242	179
Translation differences	-	-
Payments ¹	(2 037)	(2 285)
As at 31 December	6 103	6 603
Current	1 595	2 012
Non-current	4 508	4 592

¹ The lease payments for the office building are consumer price index adjusted each year. The lease payments for cars and other leasing agreements are fixed.

The following are the amounts recognised in profit or loss:

Amounts recognised in profit & loss	2020	2019
NOK 1000		
Depreciation expense of right-of-use assets	1 821	2 190
Interest expense on lease liabilities	242	179
Expenses relating to short-term leases and low-value assets	604	890
As at 31 December	2 668	3 259

Set out below is the maturity table for lease liabilities:

Maturity table lease liabilities	1 year	2 year	3 year	4 years+	Total
NOK 1000					
Lease liabilities ¹	1 626	1 545	1 385	2 115	6 670

¹ Note that the amounts disclosed are undiscounted cash flows.

Data Respons AS has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Data Respons AS is also in most contracts restricted from assigning and subleasing the leased assets.

Note 28: Covid 19

2020 was an unprecedented year with the global Covid-19 pandemic. Data Respons took all the steps necessary to ensure the health and safety of its employees, subcontractors, customers and partners. At the start of spring 2020, the company quickly adapted its operations so that the employees in all countries were remote working, ensuring full continuity of service to its clients. As a leading player in industrial digitalization, Data Respons has experienced a limited operational impact from Covid-19 for most of its business segments. The company has shown a high degree of resilience and agility during the pandemic, resulting in a continued strong financial performance in 2020