



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	987 361 719
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NOVELDA AS
Forretningsadresse:	Garverivegen 2 3850 KVITeseid

### Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Henrik Rosenlund
Dato for fastsettelse av årsregnskapet:	28.06.2023

### Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

*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, 23.08.2024



## Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales revenue	2	20 348 130	27 466 555
Other operating income		2 603 259	10 816 000
<b>Sum inntekter</b>		<b>22 951 389</b>	<b>38 282 555</b>
<b>Kostnader</b>			
Cost of materials		14 525 102	17 751 006
Payroll expenses	3,4,5,6	91 383 986	71 006 391
Depreciation of tangible and intangible fixed assets	7,8	4 679 288	4 451 751
Other operating expenses	6,9,10	60 083 379	81 829 119
<b>Sum kostnader</b>		<b>170 671 755</b>	<b>175 038 267</b>
<b>Driftsresultat</b>		<b>-147 720 366</b>	<b>-136 755 712</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	10	26 855	23 221
Financial income	11	6 629 360	1 525 908
<b>Sum finansinntekter</b>		<b>6 656 215</b>	<b>1 549 129</b>
Financial expenses	11	2 187 068	2 261 398
<b>Sum finanskostnader</b>		<b>2 187 068</b>	<b>2 261 398</b>
<b>Netto finans</b>		<b>4 469 147</b>	<b>-712 269</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-143 251 219</b>	<b>-137 467 981</b>
Tax on ordinary result	12	0	0
<b>Ordinært resultat etter skattekostnad</b>		<b>-143 251 219</b>	<b>-137 467 981</b>
<b>Årsresultat</b>		<b>-143 251 219</b>	<b>-137 467 981</b>
<b>Overføringer og disponeringer</b>			
Transferred from share premium fond	17	-143 251 219	-137 467 981
<b>Sum overføringer og disponeringer</b>		<b>-143 251 219</b>	<b>-137 467 981</b>



### Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Patents, licences and similar rights	7	7 032 658	3 102 329
<b>Sum immaterielle eiendeler</b>		<b>7 032 658</b>	<b>3 102 329</b>
<b>Varige driftsmidler</b>			
Buildings and other real property	8	464 830	458 480
Equipment	8	12 391 598	12 045 705
<b>Sum varige driftsmidler</b>		<b>12 856 428</b>	<b>12 504 185</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	13	2 391 092	2 391 092
Other long-term receivables		1 613 190	1 611 813
<b>Sum finansielle anleggsmidler</b>		<b>4 004 282</b>	<b>4 002 905</b>
<b>Sum anleggsmidler</b>		<b>23 893 368</b>	<b>19 609 419</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	14	13 647 155	8 989 907
<b>Sum varer</b>		<b>13 647 155</b>	<b>8 989 907</b>
<b>Fordringer</b>			
Trade receivables		1 823 391	4 571 958
Other receivables	10,15	19 777 987	15 426 796
<b>Sum fordringer</b>		<b>21 601 378</b>	<b>19 998 754</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	16	265 455 064	420 952 110
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>265 455 064</b>	<b>420 952 110</b>
<b>Sum omløpsmidler</b>		<b>300 703 597</b>	<b>449 940 771</b>
<b>SUM EIENDELER</b>		<b>324 596 965</b>	<b>469 550 190</b>



### Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	17,18	1 861 245	1 373 737
Overkurs	17	282 130 724	24 889 670
Annen innskutt egenkapital	17	5 842 367	402 948 205
<b>Sum innskutt egenkapital</b>		<b>289 834 336</b>	<b>429 211 612</b>
<b>Sum egenkapital</b>		<b>289 834 336</b>	<b>429 211 612</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		13 944 488	23 560 469
Public duties payable	16	6 443 943	5 551 387
Other short-term liabilities	19	14 374 198	11 226 722
<b>Sum kortsiktig gjeld</b>		<b>34 762 629</b>	<b>40 338 578</b>
<b>Sum gjeld</b>		<b>34 762 629</b>	<b>40 338 578</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>324 596 965</b>	<b>469 550 190</b>



### Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales revenue	2	20 348 130	27 466 555
Other operating income		2 603 259	10 816 000
<b>Sum inntekter</b>		<b>22 951 389</b>	<b>38 282 555</b>
<b>Kostnader</b>			
Cost of materials		14 525 102	17 751 006
Payroll expenses	3,4,5,6	98 148 328	75 777 759
Depreciation of tangible and intangible fixed assets	7,8	4 679 288	4 451 751
Other operating expenses	6,9,10	52 612 303	76 602 836
<b>Sum kostnader</b>		<b>169 965 021</b>	<b>174 583 352</b>
<b>Driftsresultat</b>		<b>-147 013 632</b>	<b>-136 300 797</b>
<b>Finansinntekter og finanskostnader</b>			
Financial income	11	6 643 906	1 687 795
<b>Sum finansinntekter</b>		<b>6 643 906</b>	<b>1 687 795</b>
Financial expenses	11	2 199 592	2 290 760
<b>Sum finanskostnader</b>		<b>2 199 592</b>	<b>2 290 760</b>
<b>Netto finans</b>		<b>4 444 314</b>	<b>-602 965</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-142 569 318</b>	<b>-136 903 762</b>
Tax on ordinary result	12	-4 981	278 083
<b>Ordinært resultat etter skattekostnad</b>		<b>-142 564 337</b>	<b>-137 181 845</b>
<b>Årsresultat</b>		<b>-142 564 337</b>	<b>-137 181 845</b>
<b>Overføringer og disponeringer</b>			
Transferred from share premium fond	17	-142 564 337	-137 181 846
<b>Sum overføringer og disponeringer</b>		<b>-142 564 337</b>	<b>-137 181 846</b>



### Konsernets balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Patents, licences and similar rights	7	7 032 658	3 102 329
<b>Sum immaterielle eiendeler</b>		<b>7 032 658</b>	<b>3 102 329</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom	8	464 830	458 480
Equipment	8	12 391 598	12 045 705
<b>Sum varige driftsmidler</b>		<b>12 856 428</b>	<b>12 504 185</b>
<b>Finansielle anleggsmidler</b>			
Other long-term receivables		1 613 190	1 611 813
<b>Sum finansielle anleggsmidler</b>		<b>1 613 190</b>	<b>1 611 813</b>
<b>Sum anleggsmidler</b>		<b>21 502 276</b>	<b>17 218 327</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	14	13 647 155	8 989 907
<b>Sum varer</b>		<b>13 647 155</b>	<b>8 989 907</b>
<b>Fordringer</b>			
Trade receivables		1 823 391	4 571 958
Other receivables	10,15	19 821 628	15 165 151
<b>Sum fordringer</b>		<b>21 645 019</b>	<b>19 737 109</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents		269 621 939	423 938 943
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>269 621 939</b>	<b>423 938 943</b>
<b>Sum omløpsmidler</b>		<b>304 914 113</b>	<b>452 665 959</b>
<b>SUM EIENDELER</b>		<b>326 416 389</b>	<b>469 884 286</b>



### Konsernets balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	17,18	1 861 245	1 373 737
Overkurs	17	283 844 250	25 756 409
Annen innskutt egenkapital	17	5 842 367	402 948 205
<b>Sum innskutt egenkapital</b>		<b>291 547 862</b>	<b>430 078 351</b>
<b>Sum egenkapital</b>		<b>291 547 862</b>	<b>430 078 351</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		14 022 293	22 261 306
Tax payable	15	0	247 230
Skyldige offentlige avgifter	16	6 443 943	5 551 387
Other short-term liabilities	19	14 402 291	11 746 012
<b>Sum kortsiktig gjeld</b>		<b>34 868 527</b>	<b>39 805 935</b>
<b>Sum gjeld</b>		<b>34 868 527</b>	<b>39 805 935</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>326 416 389</b>	<b>469 884 286</b>



KPMG AS  
Dr. Hansteins gate 9  
N-3044 Drammen

Telephone +47 45 40 40 63  
Internet www.kpmg.no  
Enterprise 935 174 627 MVA

To the General Meeting of Novelda AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Novelda AS, which comprise:

- the financial statements of the parent company Novelda AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Novelda AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

### In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but

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Bergen	Haugesund	Stavanger	Ulsteinvik
Bode	Knarvik	Stord	Alesund
Drammen	Kristiansand	Straume	

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does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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

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

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group'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 and the Group'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

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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 and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- 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 the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 23 June 2023  
KPMG AS

Kjetil Kristoffersen  
*State Authorised Public Accountant*  
(This document is signed electronically)

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## Kjetil Kristoffersen

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## **Annual report 2022**

**Novelda AS**

### **Board of Directors' report**

### **Company and group financial statements**

- **Statement of profit or loss**
- **Statement of financial position**
- **Statement of cash flows**
- **Notes**

### **Auditors' report**

Organisation number 987 361 719



## Board of Director's report

### Operation and locations

Novelda develops and sells highly advanced Ultra-Wideband (UWB) radar sensors for use in among others consumer electronics, smart buildings and health applications.

The Novelda group includes, in addition to Novelda AS (Novelda or the Company), Novelda US Inc and Novelda Japan K.K., together referred to as the Group. The Company also has a representative office in Hong Kong and a branch in Taiwan. The production and testing of Novelda's products are outsourced to external partners, mainly in Taiwan, Malaysia, Italy and Germany. The head office is in Oslo, Norway. In addition, Novelda also has office locations in Kviteseid and Trondheim.

### Comments related to the financial statements

The Company experienced a decline in sales revenue of 26 % (Group 26 %) to NOK 20.3m (Group NOK 20.3m) in 2022 compared to NOK 27.5m (Group NOK 27.5m) in 2021. The decline in revenue is mainly related to a reduction in sales to Lenovo and shortfall of growth among other legacy customers. In addition, the production start of the Company's new module targeted for Smart Home and Building Automation applications, the X4F103, has been delayed.

Operating expenses decreased 2 % (Group 3 %) to NOK 170.7m (Group NOK 170.0m). The operating result ended at NOK -147.7 (Group -147.0m), which is a decrease of 8 % (Group 8 %) compared to the previous year. The Company had an equity ratio of 89 % (Group 89 %) at the end of 2022. The operating cash outflow in 2022 for the Company was NOK 147.5m (Group 146.3m). The 2022 revenue numbers ended lower than budgeted due to the abovementioned reasons, while 2022 operating expenditures was in line with budget.

The difference between loss before tax and net cash flow from operating activities is related to depreciation and amortisation and share-based payments charges in addition to changes in other balance sheet items such as inventories, trade receivables and payables and prepayments and accruals.

Cash flow from investing activities relates to purchase of licences, printed circuit boards (PCBs) and lab equipment used in the development of the Company's products and technology. The majority of development costs relate to labour costs which is included in operating activities.

The board believes that the annual financial statements give a true and fair view of the Company's and the Group's financial position and result for the year.

### Strategy and outlook

Novelda targets to become the world leader within UWB sensing applications. To achieve this Novelda will offer ultra-low power and high-performance integrated radar solutions to the global market.

The general market interest in UWB solutions is continuously growing, and Novelda sees a great potential for its products and services. The current generation products, based on the X4 radar chip, has not



generated the market traction as expected. As a broad market offering, the X4 seems not to offer the cost vs benefit required by our customer base. Going forward, the X4 solutions will therefore rather be marketed towards specific applications where the X4 is offering clear differentiation. To reduce the overall system cost will be a key focus for the company going forward, and the cost-benefit will significantly improve with the new platform based on the X7 radar chip.

The markets Novelda is targeting are highly competitive and there is a risk that new competing technologies could become available. The Group is continuously working on expanding its product roadmap to ensure lasting competitiveness.

The global availability of electronic components has stabilised, but delays in the production and sale of end products may affect Novelda's revenue in the future. Current geopolitical tension combined with rising inflation and interest rates, leads to uncertainty also among Novelda's targeted customer base and end-users within all of Novelda's targeted applications. The effects of these changes are uncertain, but we see a tendency of new customer product projects and launches being pushed out in time.

## **Financial risk**

Novelda's near-term revenue growth is largely dependent on traction and success with a limited number of large, international technology companies. These customers typically offers significant volume potential but with whom sales- and design-in processes are demanding, leading to significant revenue risk. Novelda's products are also to a high degree still unproven in several of the company's targeted markets and applications, and success in attracting new customers in these markets will be crucial.

Credit risk related to Novelda's customer base is regarded to be low as payments from smaller and less creditworthy customers are received upfront.

Novelda collects the majority of its revenue in foreign currency, mostly USD and is exposed to currency risks. However, a significant part of Novelda's costs, is also in USD. The Company is closely monitoring the currency risk.

The Company and the Group have funding for 12 months going forward. Given the current situation, the Board of Directors expects additional funding to be needed in H1 2024.

## **Research and development activities**

As a leader in the fast-growing UWB market, Novelda is continuously working on its product roadmap through several R&D initiatives and projects.

Significant R&D investments have been made into the development of new and highly differentiated radar platforms X7 and X9 which will continue in 2023. Novelda is experiencing promising customer interest across multiple applications with X7, and X7 is expected to be released to the market late 2024. There is also an increasing interest in X9 type products, especially from the automotive industry. X9 will combine low-power UWB sensing and secure ranging and automotive could prove to be an ideal targeted market.

In 2022 the new generation 12x12 mm module (X4F103) based on the X4 radar platform was released to the market. X4F103 is easy to use, and a range of smaller and medium sized customers are showing



interest in the module. Unfortunately, the Company's lead customer on the X4F103 has so far pushed out the product launch by 12-18 months.

### **Going concern**

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. The company and the group have funding for 12 months going forward. The board of directors expects additional funding to be needed in 2024.

### **The working environment and the employees**

As per end of the year, Novelda has 86 (Group 89) full-time employees. The sick leave in the Company was a total of 224 days in 2022, which amounted to 1% of total working hours. The board of Directors considers the sick leave level satisfactory.

There has not been reported any occupational accidents resulting in property damage or personal injury during 2022. The working environment is considered good but is continuously monitored and improved.

### **Diversity and equality**

The Board of Directors and the management have a strong focus on ensuring diversity, equality and non-discrimination within the Group. The Company employs more than 20 nationalities represented at the Company's offices in Norway. The Board believes that bringing together a group of employees with varied cultural, educational and professional background, will help the Group in succeeding as a global player.

Out of the Novelda's 86 (Group 89) full-time employees 15 (Group 15) are women, which represents 17% of the total employees. This is a decrease of 1 percentage point from the previous year. The proportion of women in management positions is 20% (unchanged). The continued skewed gender balance must be seen in context to the industry standard with woman representing only around 14% of the total. At Novelda, women represented 26% of all new employees in 2022. The Board of Directors together with the management team will continue their work to attract qualified female employees.

Novelda works actively, purposefully, and systematically for gender equality within the business. When recruiting, both internally and externally, personal qualifications take precedence over gender. The underrepresented gender will to a greater extent be encouraged to apply. In this way, Novelda will try to increase the proportion of women in the job categories where this is particularly low.

### **Equal pay and part-time employment**

The average salary for women and men in full-time positions is NOK 872 770 and NOK 980 924 respectively. The salary gap is explained by the fact that a higher degree of female employees are recent hires in more junior roles. Novelda expects the salary difference to be reduced over time. Novelda's policy is that work of equal value shall provide equal pay. Salary levels are determined based on objective measures such as seniority, education and performance, in addition to local market practice and cost of living.



Novelda has seven employees working part-time. The part-time work is freely chosen, and the part-time work is either due to studies or other additional employments. Six of the part-time workers are men and one is a woman.

### **Equal opportunities and discrimination**

Novelda works actively to promote equality, ensure equal opportunities and rights and prevent discrimination on the grounds of ethnicity, national origin, descent, skin colour, language, religion and outlook on life. To contribute to this, the Company has, among other things, established routines for recruitment.

In 2022 there were seven employees in parental leave, and they were all men. The average length of the parental leave in 2022 was 9,5 weeks. At Novelda all employees (men and women) get their full salary during parental leave. Novelda is also compensating the male employees for the first 14 days leave directly after their child's birth, with full salary (fødselspermisjon).

### **Corporate governance**

Novelda has a board liability insurance on behalf of the members of the Board of Directors and the CEO. The insurance policy is issued by a reputable, specialized insurer with appropriate rating. The insurance covers personal liability for financial damage up to NOK 20 m.

### **External environment**

Novelda's operations has limited impact on the environment. The Group operates in compliance with all applicable environmental legislation, without any requirement for waivers or exemptions. Manufacturing is outsourced to leading third-party providers who are required to operate in compliance with the ISO 14001 environmental standards, in addition to other certifications, requirements, and qualifications.

### **Transparency**

Due to the Norwegian Transparency Act, Novelda is required to carry out due diligence assessments for basic human rights and decent working conditions, in line with the OECD's guidelines for multinational companies.


A separate transparency report will be published by 30 June 2023. The report will be available on: <https://novelda.com/>.




The Board of Directors of Novelda AS,

  
Svein-Egil Nilsen (Jun 22, 2023 22:34 GMT+2)


Svein-Egil Nilsen  
Chairman of the board

  
ABurdett (Jun 22, 2023 14:58 GMT+1)

Alison Julia Burdett  
Member of the board



Brita Eilertsen  
Member of the board

  
Fredrik Thoresen (Jun 22, 2023 15:33 GMT+2)

Fredrik Thoresen  
Member of the board

  
Otto Frøseth (Jun 22, 2023 18:12 GMT+2)

Otto Frøseth  
Member of the board



Jan Bjørnar Lund  
Chief Executive Officer



## Novelda AS

### Statement of profit or loss

Parent company				Group	
2022	2021	Amounts in NOK	Note	2022	2021
		<b>Revenue</b>			
20,348,130	27,466,555	Sales revenue	2	20,348,130	27,466,555
2,603,259	10,816,000	Other operating income		2,603,259	10,816,000
<u>22,951,389</u>	<u>38,282,555</u>	Total revenue		<u>22,951,389</u>	<u>38,282,555</u>
		<b>Operating expenses</b>			
14,525,102	17,751,006	Cost of materials		14,525,102	17,751,006
91,383,986	71,006,391	Payroll expenses	3, 4, 5, 6	98,148,328	75,777,759
4,679,288	4,451,751	Depreciation of tangible and intangible fixed assets	7, 8	4,679,288	4,451,751
60,083,379	81,829,119	Other operating expenses	6, 9, 10	52,612,303	76,602,836
<u>170,671,755</u>	<u>175,038,267</u>	Total operating expenses		<u>169,965,021</u>	<u>174,583,352</u>
<u>-147,720,366</u>	<u>-136,755,712</u>	Operating result		<u>-147,013,632</u>	<u>-136,300,797</u>
		<b>Financial income and expenses</b>			
26,855	23,221	Interest income from group companies	10	-	-
6,629,360	1,525,908	Financial income	11	6,643,906	1,687,795
2,187,068	2,261,398	Financial expenses	11	2,199,592	2,290,760
<u>4,469,147</u>	<u>-712,269</u>	Net financial items		<u>4,444,314</u>	<u>-602,965</u>
<u>-143,251,219</u>	<u>-137,467,981</u>	Ordinary result before tax		<u>-142,569,318</u>	<u>-136,903,762</u>
-	-	Tax on ordinary result	12	-4,981	278,083
<u>-143,251,219</u>	<u>-137,467,981</u>	<b>Net profit or loss for the year</b>		<u>-142,564,337</u>	<u>-137,181,846</u>
		<b>Distributions</b>			
		Majority interests		-142,564,337	-137,181,846
		Minority interests		-	-
		<b>Allocated as follows</b>			
-143,251,219	-137,467,981	Transferred from share premium fond	17		
<u>-143,251,219</u>	<u>-137,467,981</u>	Total allocations	17		



## Novelda AS

### Statement of financial position as of December 31


Parent company 2022	2021	Amounts in NOK	Note	Group 2022	2021
<b>Fixed assets</b>					
<i>Intangible assets</i>					
		Patents, licences and similar			
7,032,658	3,102,329	rights	7	7,032,658	3,102,329
<u>7,032,658</u>	<u>3,102,329</u>	Total intangible assets		<u>7,032,658</u>	<u>3,102,329</u>
<i>Tangible assets</i>					
		Buildings and other real			
464,830	458,480	property	8	464,830	458,480
12,391,598	12,045,705	Equipment	8	12,391,598	12,045,705
<u>12,856,428</u>	<u>12,504,185</u>	Total tangible assets		<u>12,856,428</u>	<u>12,504,185</u>
<i>Financial assets</i>					
2,391,092	2,391,092	Investments in subsidiaries	13	-	-
1,613,190	1,611,813	Other long-term receivables		1,613,190	1,611,813
<u>4,004,282</u>	<u>4,002,905</u>	Total financial assets		<u>1,613,190</u>	<u>1,611,813</u>
<u>23,893,368</u>	<u>19,609,419</u>	Total fixed assets		<u>21,502,276</u>	<u>17,218,327</u>
<b>Current assets</b>					
13,647,155	8,989,907	Inventories	14	13,647,155	8,989,907
<i>Receivables</i>					
1,823,391	4,571,958	Trade receivables		1,823,391	4,571,958
19,777,987	15,426,796	Other receivables	10, 15	19,821,628	15,165,151
<u>21,601,378</u>	<u>19,998,754</u>	Total accounts receivables		<u>21,645,019</u>	<u>19,737,109</u>
265,455,064	420,952,110	Cash and cash equivalents	16	269,621,939	423,938,943
<u>300,703,597</u>	<u>449,940,771</u>	Total current assets		<u>304,914,113</u>	<u>452,665,959</u>
<u>324,596,965</u>	<u>469,550,190</u>	Total assets		<u>326,416,389</u>	<u>469,884,286</u>

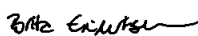



## Novelda AS


Parent company 2022	2021	Amounts in NOK	Note	Group 2022	2021
<b>Equity</b>					
<i>Paid-in capital</i>					
1,861,245	1,373,737	Share capital	17, 18	1,861,245	1,373,737
282,130,724	24,889,670	Share premium reserve	17	283,844,250	25,756,409
5,842,367	402,948,205	Other paid-in capital	17	5,842,367	402,948,205
<u>289,834,336</u>	<u>429,211,612</u>	Total paid-in capital		<u>291,547,862</u>	<u>430,078,351</u>
<u>289,834,336</u>	<u>429,211,612</u>	Total equity		<u>291,547,862</u>	<u>430,078,351</u>
<b>Liabilities</b>					
<i>Current liabilities</i>					
13,944,488	23,560,469	Trade creditors		14,022,293	22,261,306
-	-	Tax payable	15	-	247,230
6,443,943	5,551,387	Public duties payable	16	6,443,943	5,551,387
14,374,198	11,226,722	Other short-term liabilities	19	14,402,291	11,746,012
<u>34,762,629</u>	<u>40,338,578</u>	Total current liabilities		<u>34,868,527</u>	<u>39,805,935</u>
<u>34,762,629</u>	<u>40,338,578</u>	Total liabilities		<u>34,868,527</u>	<u>39,805,935</u>
<u>324,596,965</u>	<u>469,550,190</u>	Total equity and liabilities		<u>326,416,389</u>	<u>469,884,286</u>


The Board of Directors of Novelda AS,

  
Svein-Egil Nielsen  
Chairman of the Board

  
Brita Eilertsen  
Member of the Board

  
Otto Frøseth  
Member of the Board

  
Alison Julia Burdett  
Member of the Board

  
Fredrik Thoresen  
Member of the Board

  
Jan Bjørnar Lund  
CEO



## Novelda AS

## Statement of cash flows

Parent company	Amounts in NOK		Group	
2022	2021		2022	2021
<b>Cash flow from operating activities</b>				
-143,251,219	-137,467,981	Profit/(loss) before tax	-142,569,318	-136,903,762
-	-	Taxes paid	-242,249	-30,853
4,679,288	4,451,751	Depreciation and amortisation	4,679,288	4,451,751
2,893,581	2,211,738	Share-based payments	2,893,581	2,211,738
-4,657,248	-3,995,071	Changes in inventories	-4,657,248	-3,995,071
2,748,567	-52,291	Changes in trade receivables	2,748,567	-52,291
-9,615,981	14,822,431	Changes in trade payables	-8,239,013	13,466,739
-1,277,518	642,016	Changes in prepaid income	-1,277,518	642,016
-6,186,313	-2,373,800	Changes in prepaid expense	-6,667,072	-2,373,800
3,625,340	-910,912	Changes in accrued expenses	3,134,144	-391,623
-	-	Translation differences	159,928	27,398
-	1,790,572	Reclassifications*	-	1,790,569
		Changes in other current balance sheet items	3,701,407	-1,028,239
<u>3,559,496</u>	<u>-714,650</u>	<b>Net cash flow from operating</b>	<u>-146,335,503</u>	<u>-122,185,428</u>
<b>-147,482,007</b>	<b>-121,596,197</b>			
<b>Cash flow from investing activities</b>				
-5,254,900	-42,625	Purchase of intangible fixed assets	-5,254,900	-42,625
-3,706,960	-9,185,926	Purchase of tangible fixed assets	-3,706,960	-9,185,926
-	-1,557,260	Purchase of investments in shares	-	-
		Payments related to long term receivables	-	-53,816
<u>-33,539</u>	<u>-53,816</u>	<b>Net cash flow from investing</b>	<u>-8,961,860</u>	<u>-9,282,367</u>
<b>-8,995,399</b>	<b>-10,839,627</b>	<b>activities</b>		
<b>Cash flow from financing activities</b>				
980,360	401,035,740	Proceeds from issuance of equity	980,359	401,035,740
<u>980,360</u>	<u>401,035,740</u>	<b>Net cash flow from financing</b>	<u>980,359</u>	<u>401,035,740</u>
		<b>activities</b>		
Net change in cash and cash equivalents				
-155,497,046	268,599,916		-154,317,004	269,567,945
420,952,110	152,352,194	Cash and cash equivalents at 01.01	423,938,943	154,370,998
<u>265,455,064</u>	<u>420,952,110</u>	<b>Cash and cash equivalents at 31.12</b>	<u>269,621,939</u>	<u>423,938,943</u>

\* Relate to prior year reclassifications of intangible and tangible asset and rental deposits.



## Novelda AS

### Notes to financial statements

#### Note 1 - Accounting Principles

The financial statements are prepared according to the Norwegian Accounting Act and generally accepted accounting principles in Norway.

##### *Going concern*

The annual financial statements have been prepared under the going concern assumption. The company and the group have funding for 12 months going forward. Given the current situation, the company expects additional funding to be needed in 2024.

##### *Basis for consolidation*

The consolidated financial statements comprise of the parent company Novelda AS (the company) and the wholly-owned subsidiaries Novelda US Inc and Novelda Japan K.K. (collectively the group). The consolidated financial statements are prepared such that the group of companies are presented as a single economic entity. Intercompany transactions have been eliminated in the consolidated financial statements. The consolidated financial statements and the company financial statements are prepared according to the same accounting principles.

The consolidated financial statements are presented in NOK. Foreign subsidiaries with functional currency other than NOK have been translated to the presentation currency applying year-end rates for assets and liabilities and average exchange rates for income and expenses items during the year. Translation differences have been recognised in equity.

##### *Investments in subsidiaries*

Investments in subsidiaries are valued at cost in the company financial statements. If fair value of the investment is assessed to be lower than the investment's carrying amount, a write-down is recognised. Write-down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write-downs are reversed when the cause of the initial write down no longer is present.

##### *Sales revenue*

Sales revenue consists of sales of UWB chip and modules to customers. Sales revenues are recognised at the time of delivery. The majority of sales are shipped with incoterms EX-Works (EXW). Payments related to future deliveries are recorded in the balance sheet as deferred revenue and are recognised at the time when payment is received.

##### *Balance sheet classification*

Balance sheet items which are expected to be realised or settled within one year are classified as current. Other assets and liabilities are classified as non-current.

##### *Trade and other receivables*

Trade receivables and other current receivables are recorded on the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.

##### *Inventories*

Inventories are valued at the lower of cost and fair value. Cost is calculated using a moving average method. Finished goods and work in progress are valued at full production cost. Write-downs are recognised for inventory items where fair value is assessed to be lower than the carrying value.



## **Novelda AS**

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### *Property, plant and equipment*

Property, plant and equipment is recognised at the cost of acquisition and is capitalised and depreciated over the estimated useful economic life of the asset. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, estimated future cash flows are discounted to present value.

### *Intangible assets*

Intangible assets relate to technology and intellectual property rights from third parties which are used in the production. The rights have no expiration date, but are limited to a "single-product-use". Intangible assets are recognised at the cost of acquisition and are capitalised and depreciated over the estimated useful economic life of the asset, which is based on the expected lifespan of the product.

### *Research and development costs*

The company and the group have costs related to research and development of current products and development of new radar chips and new modules. Research and development costs are expensed as they incur according to accounting policy choice in the Norwegian Accounting Act § 5-6. The company receives government grants related to research and development (Skattefunn). Skattefunn is recognised as a reduction of associated costs and subject to final approval by the tax authorities.

### *Pension costs*

The group has a contribution pension plan for its employees. The company makes contributions for each employee's retirement account and pension will depend on the actual return on paid-in funds and the size of the deposits. The cost is included in payroll expenses.

### *Items in foreign currencies*

The company's functional currency is NOK. Items in foreign currencies are recognised at the exchange rate at the balance sheet date. Transactions in the income statement are recorded at the relevant exchange rate at the time of the transaction.

### *Income tax*

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at year end. Temporary differences both positive and negative, are balanced out within the same period. Deferred tax assets are recorded on the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

### *Statement of cash flows*

The statement of cash flows is presented using the indirect method. Cash and cash equivalents include cash and bank deposits. Bank accounts holding rent deposits are classified as non-current other receivables.

### *Use of estimates*

The preparation of the financial statements requires management to apply judgement about the future to determine the carrying amounts of some of the assets and liabilities and recognised items in the statement of profit or loss. Actual amounts in the future can differ from these estimates.

For the year ended 31 December 2022, the most significant areas where management has applied judgement relates to cost of share options and share-based payment for the year, write-down of inventory assessment and estimates of useful life of tangible and intangible assets.



## Novelda AS

### Note 2 - Revenue

Parent company			Group		
2022	2021	Geographical distribution:	2022	2021	
5,378,079	8,603,969	USA	5,378,079	8,603,969	
3,128,653	1,298,438	South Korea	3,128,653	1,298,438	
2,666,600	5,597,264	Hong Kong	2,666,600	5,597,264	
2,987,622	5,220,600	China	2,987,622	5,220,600	
2,323,137	2,498,988	Romania	2,323,137	2,498,988	
1,875,123	1,619,229	UK	1,875,123	1,619,229	
8,415	501,963	Norway	8,415	501,963	
1,980,500	2,126,104	Other countries	1,980,500	2,126,104	
<u>20,348,130</u>	<u>27,466,555</u>	Sum	<u>20,348,130</u>	<u>27,466,555</u>	

### Note 3 - Personnel expense, management and board of director's remuneration and auditor's fee

Parent company			Group		
2022	2021	Payroll expenses	2022	2021	
74,045,328	60,110,378	Salaries	80,185,525	64,467,039	
10,167,601	8,259,763	Payroll tax	10,292,498	8,375,710	
3,287,122	2,066,655	Pension costs	3,554,685	2,078,235	
3,883,936	569,595	Other benefits	4,115,621	856,774	
<u>91,383,986</u>	<u>71,006,391</u>	Total	<u>98,148,328</u>	<u>75,777,759</u>	

#### The average number of employees during

2022	2021	the year:	2022	2021
79	71		82	73

#### Parent company

##### Management remuneration

	Salary	Pension costs	Other benefits
Chief Executive Officer	1,867,216	26,029	6,151

The Chief Executive Officer has a right to receive 6 months of salary upon termination of employment. No bonus compensation in cash has been paid to Chief Executive Officer or Chairman of the Board in 2022. The Company has no bonus contracts with management or the board of directors other than share option agreements.

The Chief Executive Officer has an option to buy 25 200 shares for NOK 600 each.

##### Board remuneration

Chairman of the Board has an option to buy 2 550 shares for NOK 600 each. The Company has no other options agreements with current board members.

During 2022 the Company put in place a new remuneration model for the board members for the 12 months starting 1 July 2022. Board members have the option to receive the agreed compensation in cash, in shares or in a combination of cash and shares.

In the absence of observable market prices, the fair value of the shares has been estimated using the subscription price from the last share issue as estimated share price. Volatility of the underlying shares have been estimated based on historical volatility for peers.



## Novelda AS

	2022	2021
Expense arising from equity-settled share-based payments transactions	656,075	-
Expense arising from cash-settled share-based payments transactions	229,500	-
Total expense arising from share-based payment transactions	885,575	-

Of the total expense has NOK 109 436 has been recognised as an accrued payroll tax on the balance sheet.

Parent company		Group	
2022	2021	2022	2021
455,200	265,765	455,200	265,765
86,140	124,440	86,140	124,440

*Auditor fee has been divided as follows:*

Statutory audit fee	265,765	265,765
Other services	124,440	124,440

VAT is not included in the figures of auditor's fee.

## Note 4 - Pensions

### Parent company and Group

The parent company and other companies in the group, other than foreign subsidiaries, are obliged to have an occupational pension scheme in accordance with the Norwegian Act relating to mandatory occupational pensions.

The group has a defined contribution plan for all employees.

## Note 5 - Share options to employees

As of 31.12.2022, Novelda AS has outstanding a total of 219 940 share options granted to employees (212 330 share options) and board members (7 610 share options). During 2022, 23 300 share options were granted. The share options are vested over 5-10 years and expire shortly after the end of the vesting period. Vesting and exercising of the share options are dependant on employment at the company.

During the year 2 660 share option were exercised and 8 000 share options expired.

The share options have the following strike price and maturity:

Strike price	2023	2024	2025	2026	2027	Total
200.00	3,125	18,500	500	-	-	22,125
318.07	-	-	7,660	4,000	-	11,660
440.00	24,965	500	-	-	1,500	26,965
600.00	4,048	37,130	79,050	4,400	-	124,628
800.00	1,012	-	-	9,750	500	11,262
825.00	-	-	-	-	23,300	23,300
Total	33,150	56,130	87,210	18,150	25,300	219,940

An estimated share options cost of NOK 3 048 597 related to outstanding share options has been expensed in 2022, of which payroll tax of NOK 356 156 has been recognised as an accrued expense in the balance sheet.



## Novelda AS

The share options cost has been estimated using the Black-Scholes model. In the absence of observable market prices, the share options cost has been calculated using the subscription price from the last share issue prior to share options issuance as estimated share price. Volatility of the underlying shares have been estimated based on historical annualised volatility for peers. The risk-free interest rate has been estimated based on Norwegian government bonds with similar maturity as the share options. Employment leaving rate has been assessed based on historical actual leaving rates.

Share options issued prior to 2020 has not been expensed in conformity with Norwegian Accounting Act.

### Note 6 - Research and development

The company has in this fiscal year received contribution for the following projects:

Skattefunn NOK 4 750 000

Total cost for research and development in 2022 was NOK 27 417 677 (NOK 28 258 409 for 2021).

### Note 7 - Intangible assets

	<b>Licences, patents</b>
Acquisition cost at 01.01.	7,032,651
Purchased intangibles	5,254,900
Reclassifications	-
Acquisition cost 31.12.	12,287,551
Acc.depreciation 31.12.	5,254,893
Net carrying amount at 31.12.	7,032,658
Depreciation for the year	1,324,569
Impairment for the year	-
Amortization plan	Linear
Useful economic life	5/10 years

### Note 8 - Tangible assets

#### Parent company and group

	<b>Buildings and other real</b>		
	<b>property</b>	<b>Equipment</b>	<b>Total</b>
Acquisition cost at 01.01.	575,881	18,871,122	19,447,003
Purchased tangibles	69,122	3,637,838	3,706,960
Reclassifications	-	-	-
Acquisition cost 31.12.	645,003	22,508,960	23,153,963
Acc.depreciation 31.12.	180,173	10,117,362	10,297,535
Net carrying amount at 31.12.	464,830	12,391,598	12,856,428



## Novelda AS

Depreciation for the year	62,772	3,291,947	3,354,719
Impairment for the year	-	-	-

Amortization plan	Linear	Linear
Useful economic life	10 years	3-10 years

The company rents several office premises. Expensed rental costs for office premises in 2022 amounted to NOK 4 507 237 (NOK 4 072 758 for 2021).

## Note 9 - Other operating expenses

Parent company		Group	
2022	2021	2022	2021
14,209,425	11,361,432	2,733,863	2,387,498
12,821,598	23,932,535	12,821,598	23,932,535
9,958,299	12,701,797	9,958,299	12,701,797
5,450,350	4,673,374	6,328,623	5,350,782
3,007,786	735,101	4,995,131	3,279,639
2,386,074	2,281,535	2,471,067	2,349,197
2,056,504	697,772	2,473,440	780,782
2,030,006	18,024,313	2,036,237	18,053,282
1,575,726	1,076,091	1,575,726	1,076,091
1,559,961	3,154,145	1,559,961	3,154,145
1,498,791	1,074,479	2,054,051	1,162,181
1,212,382	850,374	1,212,382	1,054,611
261,278	341,286	281,844	383,878
2,055,198	924,884	2,110,080	936,419
<u>60,083,379</u>	<u>81,829,119</u>	<u>52,612,303</u>	<u>76,602,836</u>

## Note 10 - Transactions with related parties

The Group has various transactions with related parties. All the transactions have been carried out as part of the ordinary operations. The most significant transactions are as follows:

Parent company		Group	
2022	2021	2022	2021
3,726,712	3,306,173	-	-
8,020,499	5,814,525	-	-
<u>11,747,211</u>	<u>9,120,698</u>	<u>-</u>	<u>-</u>
<i>Interest income:</i>			
26,855	23,221	-	-
<u>26,855</u>	<u>23,221</u>	<u>-</u>	<u>-</u>
<i>Operating expense:</i>			
Office rental and rental related expenses -			
242,533	219,353	242,533	219,353
71,094	33,420	71,094	33,420
<u>313,627</u>	<u>252,773</u>	<u>313,627</u>	<u>252,773</u>



## Novelda AS

		<i>Receivables:</i>			
841,040	556,653	Other receivables	-	-	
841,040	556,653	Total	-	-	

		<i>Liabilities:</i>			
507,061	2,023,590	Accounts payable	-	-	
507,061	2,023,590	Total	-	-	

## Note 11 - Financial items

<b>Parent company</b>				<b>Group</b>	
2022	2021	<i>Financial income:</i>	2022	2021	
1,953,336	1,434,290	Agio	1,967,576	1,596,176	
4,676,086	66,262	Interest income	4,676,098	66,262	
-61	25,356	Other financial income	232	25,357	
6,629,360	1,525,908	Total	6,643,906	1,687,795	

		<i>Financial expenses:</i>			
2,168,763	2,155,749	Disagio	2,181,287	2,185,111	
18,005	31,729	Interest expense	18,005	31,729	
299	73,920	Other financial expenses	299	73,920	
2,187,068	2,261,398	Total	2,199,592	2,290,760	

## Note 12 - Income taxes

<b>Parent company</b>				<b>Group</b>	
2022	2021	<i>Income tax expense:</i>	2022	2021	
-	-	Tax payable Norway	-	-	
-	-	Tax payable foreign countries	-4,981	278,083	
-	-	Change in deferred tax	-	-	
-	-	Total income tax expense	-4,981	278,083	

<b>Parent company</b>				<b>Group</b>	
2022	2021	<i>Tax base estimation:</i>	2022	2021	
-143,251,219	-137,467,981	Ordinary result before tax	-142,569,318	-136,903,762	
-1,701,403	2,797,404	Permanent differences	-1,701,403	2,797,404	
5,144,464	-72,280	Change in temporary differences	5,144,464	-72,280	
-139,808,158	-134,742,857	Total	-139,126,257	-134,178,638	

-139,808,158	-134,742,857	Tax base	-139,126,257	-134,178,638	
-	-	Tax payable (22%)	-	-	



## Novelda AS

2022	2021	Temporary differences outlined:	2022	2021
-365,766	-360,387	Tangible assets	-365,766	-360,387
-3,374,038	-798,412	Inventories	-3,374,038	-798,412
-2,563,217	-	Other accounting provisions	-2,563,217	-
-6,303,021	-1,158,799	Total	-6,303,021	-1,158,799
-656,174,379	-516,366,221	Accumulated loss carryforward	-653,439,763	-514,313,506
662,477,400	517,525,020	Not recognised on the balance sheet	659,742,784	515,472,305
-	-	Net temporary differences pr. 31.12.	-	-
-	-	Deferred tax asset/liability (22%)	-	-
<b>2022</b>		<b>Effective tax rate:</b>	<b>2022</b>	
-		22 % expected income taxes	-4,981	
-		22 % tax on permanent differences	-	
-		Tax effect of change in tax rate	-	
-		Correction of tax payable from prior period	-	
-		Income tax expense	-4,981	
0%		Effective tax rate (tax expense in relation to profit before tax)	0%	

## Note 13 - Investment in subsidiaries

### Parent company

Company name	Office	Ownership & voting rights	Net Income 31.12.	Equity 31.12.	Book value 31.12.
Novelda US Inc	California	100%	347,882	1,865,340	833,832
Novelda Japan KK	Yokohama	100%	366,307	2,250,026	1,557,260
Total					2,391,092

## Note 14 - Inventories

Parent company	2022	2021	Group	2022	2021
	862,531	1,367,186		862,531	1,367,186
	4,634,938	2,664,751		4,634,938	2,664,751
	9,012,217	5,756,382		9,012,217	5,756,382
	-862,531	-798,412		-862,531	-798,412
Total	13,647,155	8,989,907	Total	13,647,155	8,989,907



## Novelda AS

### Note 15 - Other receivables

Parent company		Group	
2022	2021	2022	2021
13,274,699	7,088,386	13,755,458	7,088,386
4,750,000	7,703,299	4,750,000	7,703,299
841,040	556,653	-	-
841,068	57,281	841,068	352,289
71,180	21,177	475,102	21,178
<b>19,777,987</b>	<b>15,426,796</b>	<b>19,821,628</b>	<b>15,165,151</b>

### Note 16 - Bank deposit

Parent company		Group	
2022	2021	2022	2021
3,471,805	2,835,693	3,471,805	2,835,693

### Note 17 - Owners equity

Parent company	Share-capital	Share		Total equity
		premium reserve	Other paid-in capital	
Owners equity 01.01.	1,373,737	24,889,670	402,948,205	429,211,612
Share issue in 2021 registered in 2022	484,848	399,514,752	-399,999,600	-
Share issue in 2022	2,660	977,518	-	980,178
Non-registered share issue	-	-	181	181
Share-based payments costs	-	-	2,893,581	2,893,581
Result of the year	-	-143,251,219	-	-143,251,219
Other	-	3	-	3
<b>Owners equity 31.12.</b>	<b>1,861,245</b>	<b>282,130,724</b>	<b>5,842,367</b>	<b>289,834,336</b>

Group	Share-capital	Share		Total equity
		premium reserve	Other paid-in capital	
Owners equity 01.01.	1,373,737	25,756,409	402,948,205	430,078,351
Share issue in 2021 registered in 2022	484,848	399,514,752	-399,999,600	-
Share issue in 2022	2,660	977,518	-	980,178
Non-registered share issue	-	-	181	181
Share-based payments costs	-	-	2,893,581	2,893,581
Translation differences	-	159,908	-	159,908
Profit for the year	-	-142,564,337	-	-142,564,337
<b>Owners equity 31.12.</b>	<b>1,861,245</b>	<b>283,844,250</b>	<b>5,842,367</b>	<b>291,547,862</b>



## Novelda AS

### Note 18 - Share capital and shareholder information

#### Parent company

Share capital:

	Number of shares	Par value	Capitalised
Ordinary shares	1,861,245	1.00	1,861,245

All shares carry the same rights in the company.

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
Investinor Direkte AS	377,576	20.3%	20.3%
Vatne Equity AS	182,193	9.8%	9.8%
Alliance Venture Polaris AS	166,003	8.9%	8.9%
Folketrygdfondet	121,212	6.5%	6.5%
Skandinaviske Enskilda Banken AB	67,656	3.6%	3.6%
Kvantia AS	66,699	3.6%	3.6%
Verdipapirfondet Alfred Berg Gambak	64,603	3.5%	3.5%
Christiania Skibs AS	47,917	2.6%	2.6%
Danske Invest Norge Vekst	45,121	2.4%	2.4%
Wisland Wear AS	37,462	2.0%	2.0%
Skøyen AS	37,220	2.0%	2.0%
Fyrva AS	36,084	1.9%	1.9%
Doughty AS	35,816	1.9%	1.9%
Verdipapirfondet Storebrand Vekst	24,793	1.3%	1.3%
Hortulan AS	24,242	1.3%	1.3%
Lioness AS	23,000	1.2%	1.2%
Verdipapirfondet Alfred Berg Aktiv	22,187	1.2%	1.2%
Nygon AS	21,686	1.2%	1.2%
Skilling Systemer AS	20,334	1.1%	1.1%
Sparebank 1 SMN Invest AS	19,980	1.1%	1.1%
Others (interest < 1%)	419,461	22.5%	22.5%
<b>Total</b>	<b>1,861,245</b>	<b>100.0%</b>	<b>100.0%</b>

No shares are owned by Directors of the Board or the Chief Executive Officer as of 31 December 2022.

### Note 19 - Other short-term liabilities

#### Parent company

2022	2021	Other short-term liabilities:
7,544,098	6,313,060	Accrued holiday pay
2,561,771	3,839,289	Deferred revenue
836,709	384,805	Provisions
2,563,217	168,915	Accrued expenses
868,403	520,653	Other short-term liabilities
<b>14,374,198</b>	<b>11,226,722</b>	<b>Total</b>

#### Group

2022	2021
7,544,098	6,313,060
2,561,771	3,839,289
836,709	384,805
2,591,310	688,204
868,403	520,654
<b>14,402,291</b>	<b>11,746,012</b>



## **Novelda AS**

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### **Note 20 - Subsequent events**

The share issue of NOK 484 848 paid in December 2021 was registered in The Brønnøysund Register of Business Enterprises 12 January 2022. On 2 March 2022 was the share issue of NOK 2 660 registered.

In relation to the share-compensation as part of board remuneration, 665 shares were issued 20 April 2023. From this date the company's share capital is NOK 1,861,910.

The wholly-owned subsidiary of Novelda AS, Novelda US Inc has its cash balance in Silicon Vally Bank. As of 31 December 2022 the deposited amount was USD 313 371. 12 March 2023 Silicon Valley Bank was closed by American authorities and put under the Federal Deposit Insurance Corporation (FDIC). FDIC has confirmed to insure all deposits at the bank. As such no impact is assessed for Novelda US Inc.

Current geopolitical tension combined with rising inflation and interest rates, leads to uncertainty also among Novelda's targeted customer base and end-users within all of Novelda's targeted applications. The effects of these changes are uncertain and it is currently not clear if and how Novelda might be affected in 2023.



# Novelda Annual Report 2022

Final Audit Report

2023-06-22














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Vår dato 18.11.2019	Din/Deres dato 14.10.2019	Saksbehandler Lars Waalkorp
800 80 000 Skatteetaten.no	Din/Deres referanse AR339775906	Telefon 32212244
Org.nr 974761076	Vår referanse 2019/6604896	Postadresse Postboks 9200 Grønland 0134 OSLO

NOVELDA AS  
Garverivegen 2  
3850 KVITeseid

Att. Henrik Rosenlund

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Novelda AS, org.nr. 987 361 719

Vi viser til deres brev av 14. oktober 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Novelda AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Novelda 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

Novelda AS er hovedsakelig eid av profesjonelle investorer samt ansatte i selskapet, hvorav flere er utenlandske. Selskapet driver virksomhet i et internasjonalt teknologimarked hvor kunden i all hovedsak er utenlandske (Europa, USA og Asia). Ett av styremedlemmene er utenlandsk.

### 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 m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

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



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

Det er etter 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 hovedsakelig er eid av institusjonelle eiere og ansatte. 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 Waailorp  
seniorrådgiver  
Brukerdialog, brukerkontakt  
Skatteetaten

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*