Brønnøysundregistrene

# ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

**Enheten**

| | |
|---|---|
| Organisasjonsnummer: | 983 190 510 |
| Organisasjonsform: | Aksjeselskap |
| Foretaksnavn: | KIONA HOLDING AS |
| Forretningsadresse: | Leirfossvegen 27<br>7038 TRONDHEIM |

**Regnskapsår**

| | |
|---|---|
| Årsregnskapets periode: | 01.01.2022 - 31.12.2022 |

**Konsern**

| | |
|---|---|
| Morselskap 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: | IFRS |

**Årsregnskapet fastsatt av kompetent organ**

| | |
|---|---|
| Bekreftet av representant for selskapet: | Janita M. Bakeng |
| Dato for fastsettelse av årsregnskapet: | 12.06.2023 |

**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, 04.09.2024

# Resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **RESULTATREGNSKAP** | | | |
| **Inntekter** | | | |
| Other operating income | 5 | 40 833 000 | 19 271 000 |
| **Sum inntekter** | | **40 833 000** | **19 271 000** |
| **Kostnader** | | | |
| Employee benefit expenses | 6 | 2 469 000 | 716 000 |
| Depreciation and amortisation expense | 10 | 15 323 000 | 10 297 000 |
| Other operating expenses | 7 | 33 808 000 | 43 212 000 |
| **Sum kostnader** | | **51 600 000** | **54 225 000** |
| **Driftsresultat** | | **-10 767 000** | **-34 954 000** |
| **Finansinntekter og finanskostnader** | | | |
| Finance income | 8 | 3 236 000 | 799 000 |
| **Sum finansinntekter** | | **3 236 000** | **799 000** |
| Finance expense | 8 | 19 540 000 | 11 816 000 |
| **Sum finanskostnader** | | **19 540 000** | **11 816 000** |
| **Netto finans** | | **-16 304 000** | **-11 017 000** |
| **Ordinært resultat før skattekostnad** | | **-27 071 000** | **-45 971 000** |
| Tax expense | 9 | -5 957 000 | -8 378 000 |
| **Ordinært resultat etter skattekostnad** | | **-21 114 000** | **-37 593 000** |
| **Årsresultat** | | **-21 114 000** | **-37 593 000** |

# Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **BALANSE - EIENDELER** | | | |
| **Anleggsmidler** | | | |
| **Immaterielle eiendeler** | | | |
| Capitalized R&D | 10 | 42 486 000 | 34 683 000 |
| IP-rights | 10 | 13 689 000 | 18 048 000 |
| Utsatt skattefordel | 9 | 13 722 000 | 7 765 000 |
| **Sum immaterielle eiendeler** | | **69 897 000** | **60 496 000** |
| **Varige driftsmidler** | | | |
| Property, plant and equipment | 11 | 1 317 000 | |
| **Sum varige driftsmidler** | | **1 317 000** | |
| **Finansielle anleggsmidler** | | | |
| Investering i datterselskap | 4,12 | 391 703 000 | 391 703 000 |
| Lån til foretak i samme konsern | 12 | 16 686 000 | 0 |
| **Sum finansielle anleggsmidler** | | **408 389 000** | **391 703 000** |
| **Sum anleggsmidler** | | **479 603 000** | **452 199 000** |
| **Omløpsmidler** | | | |
| **Varer** | | | |
| **Fordringer** | | | |
| Other short term receivables | 4,13 | 728 000 | 116 000 |
| Konsernfordringer | 12 | 38 078 000 | 33 583 000 |
| **Sum fordringer** | | **38 806 000** | **33 699 000** |
| **Bankinnskudd, kontanter og lignende** | | | |
| Cash and cash equivalents | 4,14 | 3 963 000 | 168 000 |
| **Sum bankinnskudd, kontanter og lignende** | | **3 963 000** | **168 000** |
| **Sum omløpsmidler** | | **42 769 000** | **33 867 000** |
| **SUM EIENDELER** | | **522 372 000** | **486 066 000** |

# Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **BALANSE - EGENKAPITAL OG GJELD** | | | |
| | | | |
| **Egenkapital** | | | |
| **Innskutt egenkapital** | | | |
| Share capital | 15 | 666 000 | 660 000 |
| Overkurs | 15 | 263 654 000 | 256 113 000 |
| **Sum innskutt egenkapital** | | **264 320 000** | **256 773 000** |
| | | | |
| **Opptjent egenkapital** | | | |
| Other equity | 15 | -50 246 000 | -29 132 000 |
| **Sum opptjent egenkapital** | | **-50 246 000** | **-29 132 000** |
| | | | |
| **Sum egenkapital** | | **214 074 000** | **227 641 000** |
| | | | |
| **Gjeld** | | | |
| **Langsiktig gjeld** | | | |
| **Annen langsiktig gjeld** | | | |
| Langsiktig konserngjeld | 4,12 | 228 919 000 | 145 430 000 |
| **Sum annen langsiktig gjeld** | | **228 919 000** | **145 430 000** |
| | | | |
| **Sum langsiktig gjeld** | | **228 919 000** | **145 430 000** |
| | | | |
| **Kortsiktig gjeld** | | | |
| Leverandørgjeld | 4 | 1 052 000 | 232 000 |
| Kortsiktig konserngjeld | 4,12 | 53 201 000 | 110 963 000 |
| Other current liabilities | | 25 124 000 | 1 801 000 |
| **Sum kortsiktig gjeld** | | **79 377 000** | **112 996 000** |
| | | | |
| **Sum gjeld** | | **308 296 000** | **258 426 000** |
| | | | |
| **SUM EGENKAPITAL OG GJELD** | | **522 370 000** | **486 067 000** |

# Konsernets resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **RESULTATREGNSKAP** | | | |
| **Inntekter** | | | |
| Recurring revenues from contract with customers | 5 | 175 079 000 | 167 614 000 |
| Other revenues from contracts with customers | 5 | 44 096 000 | 11 366 000 |
| Other operating income | | 0 | 329 000 |
| **Sum inntekter** | | **219 175 000** | **179 309 000** |
| **Kostnader** | | | |
| Cost of goods sold | | 27 240 000 | 21 431 000 |
| Employee benefit expenses | 6 | 121 463 000 | 102 291 000 |
| Depreciation and amortisation expense | 9,10,16 | 28 233 000 | 31 515 000 |
| Other operating expenses | 6 | 48 602 000 | 57 883 000 |
| **Sum kostnader** | | **225 538 000** | **213 120 000** |
| **Driftsresultat** | | **-6 363 000** | **-33 811 000** |
| **Finansinntekter og finanskostnader** | | | |
| Finance income | 7 | 12 451 000 | 1 104 000 |
| **Sum finansinntekter** | | **12 451 000** | **1 104 000** |
| Finance expense | 7 | 21 836 000 | 13 489 000 |
| **Sum finanskostnader** | | **21 836 000** | **13 489 000** |
| **Netto finans** | | **-9 385 000** | **-12 385 000** |
| **Ordinært resultat før skattekostnad** | | **-15 748 000** | **-46 196 000** |
| Tax expense | 8 | -5 104 000 | -7 417 000 |
| **Ordinært resultat etter skattekostnad** | | **-10 644 000** | **-38 779 000** |
| **Årsresultat** | | **-10 644 000** | **-38 779 000** |

# Konsernets balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **BALANSE - EIENDELER** | | | |
| **Anleggsmidler** | | | |
| **Immaterielle eiendeler** | | | |
| Intangible assets | 9 | 120 802 000 | 131 514 000 |
| Right-of-use assets | 16 | 21 747 000 | 25 878 000 |
| Utsatt skattefordel | 8 | 23 924 000 | 3 192 000 |
| Goodwill | 9 | 250 899 000 | 241 870 000 |
| **Sum immaterielle eiendeler** | | **417 372 000** | **402 454 000** |
| **Varige driftsmidler** | | | |
| Property, plant and equipment | 10 | 4 404 000 | 463 000 |
| **Sum varige driftsmidler** | | **4 404 000** | **463 000** |
| **Finansielle anleggsmidler** | | | |
| Investeringer i tilknyttet selskap | 4 | 12 000 | 12 000 |
| Other non-current assets | 4 | 863 000 | 1 346 000 |
| **Sum finansielle anleggsmidler** | | **875 000** | **1 358 000** |
| **Sum anleggsmidler** | | **422 651 000** | **404 275 000** |
| **Omløpsmidler** | | | |
| **Varer** | | | |
| Inventories | 11 | 9 494 000 | 7 255 000 |
| **Sum varer** | | **9 494 000** | **7 255 000** |
| **Fordringer** | | | |
| Trade receivables | 4,12 | 35 071 000 | 31 823 000 |
| Other current receivables | 4 | 15 791 000 | 7 291 000 |
| Contract assets | 5 | 35 910 000 | 36 173 000 |
| **Sum fordringer** | | **86 772 000** | **75 287 000** |
| **Bankinnskudd, kontanter og lignende** | | | |
| Cash and cash equivalents | 4,13 | 41 485 000 | 41 160 000 |
| **Sum bankinnskudd, kontanter og lignende** | | **41 485 000** | **41 160 000** |
| **Sum omløpsmidler** | | **137 751 000** | **123 702 000** |

# Konsernets balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **SUM EIENDELER** | | **560 402 000** | **527 977 000** |
| | | | |
| **BALANSE - EGENKAPITAL OG GJELD** | | | |
| | | | |
| **Egenkapital** | | | |
| **Innskutt egenkapital** | | | |
| Share capital | 14 | 666 000 | 660 000 |
| Overkurs | 14 | 263 654 000 | 256 113 000 |
| **Sum innskutt egenkapital** | | **264 320 000** | **256 773 000** |
| | | | |
| **Opptjent egenkapital** | | | |
| Foreign exchange reserve | | -16 121 000 | -4 590 000 |
| Other reserves | | -70 385 000 | -71 153 000 |
| **Sum opptjent egenkapital** | | **-86 506 000** | **-75 743 000** |
| | | | |
| **Sum egenkapital** | | **177 814 000** | **181 030 000** |
| | | | |
| **Gjeld** | | | |
| **Langsiktig gjeld** | | | |
| **Annen langsiktig gjeld** | | | |
| Gjeld til kredittinstitusjoner | 15 | 155 913 000 | 152 775 000 |
| Lease liabilities | 15,16 | 14 945 000 | 19 119 000 |
| Other non-current liabilities | 15 | 1 540 000 | 1 490 000 |
| Deferred tax liabilities | 8 | 13 230 000 | 0 |
| **Sum annen langsiktig gjeld** | | **185 628 000** | **173 384 000** |
| | | | |
| **Sum langsiktig gjeld** | | **185 628 000** | **173 384 000** |
| | | | |
| **Kortsiktig gjeld** | | | |
| Leverandørgjeld | | 16 094 000 | 13 464 000 |
| Income tax payable | 8 | 2 306 000 | 600 000 |
| Public duties payable | | 18 890 000 | 8 953 000 |
| Current lease liabilities | 16 | 7 127 000 | 6 827 000 |
| Contract liabilities | 5 | 76 111 000 | 76 749 000 |
| Other current liabilities | | 76 432 000 | 66 971 000 |
| **Sum kortsiktig gjeld** | | **196 960 000** | **173 564 000** |

## Konsernets balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---|---|---|---|
| **Sum gjeld** | | **382 588 000** | **346 948 000** |
| **SUM EGENKAPITAL OG GJELD** | | **560 402 000** | **527 978 000** |

Skatteetaten

| Vår dato | Din/Deres dato | Saksbehandler |
|---|---|---|
| 21.06.2022 | 01.06.2022 | Lars Waaltorp |
| 800 80 000 | Din/Deres referanse | Telefon |
| Skatteetaten.no | | 90833418 |
| Org.nr | Vår referanse | Postadresse |
| 974761076 | 2022/5532401 | Postboks 9200 Grønland<br>0134 OSLO |

KIONA HOLDING AS
Leirfossvegen 27
7038 TRONDHEIM

Att. Atle Helland

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 1. juni 2022 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

| | |
|---|---|
| **Kiona Holding AS** | **org.nr. 983 190 510** |
| **Cebyc AS** | **org.nr. 984 984 553** |
| **Kiona AS (tidl. IWMAC AS)** | **org.nr. 984 699 980** |
| **Socius Management AS** | **org.nr. 923 616 403** |

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper 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**
Kiona Holding AS var frem til april 2022 morselskap til de tre øvrige selskapene. I april 2022 ble Socius Management AS og Cebyc AS fusjonert inn i Kiona AS.

Hovedaksjonæren i Kiona Holding AS er et utenlandsk private equity-fond. Øvrige aksjer eies av private investorer og norske og utenlandske ansatte. Selskapene er leverandører av Building Management Software til kunder i Europa. Konsernet har datterselskaper i flere europeiske land, og konsernets arbeidsspråk er engelsk.

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

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

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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at hovedaksjonæren i Kiona Holding AS er et utenlandsk private equity-fond. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

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

Deloitte.

Deloitte AS
Dyre Halses gate 1A
NO-7042 Trondheim
Norway

Tel: +47 73 87 69 00
www.deloitte.no

To the General Meeting of Kiona Holding AS

INDEPENDENT AUDITOR'S REPORT

*Opinion*
We have audited the financial statements of Kiona Holding AS, which comprise:

- The financial statements of the parent company Kiona Holding AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Kiona Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows 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 simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, 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 International Financial Reporting Standards as adopted by the EU.

*Basis for Opinion*
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 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.

Deloitte.



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 simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 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 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 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.

Deloitte.



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.

Trondheim, 23.06.23
Deloitte AS

Jon Bjørnaas
State Authorised Public Accountant

PENNEO

*Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.*

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

**Jon Bjørnaas**
**Statsautorisert revisor**
På vegne av: Deloitte AS
*Serienummer: 9578-5994-4-524287*
*IP: 217.173.xxx.xxx*
*2023-06-23 12:44:38 UTC*

bank ID

**Admincontrol**

# List of Signatures

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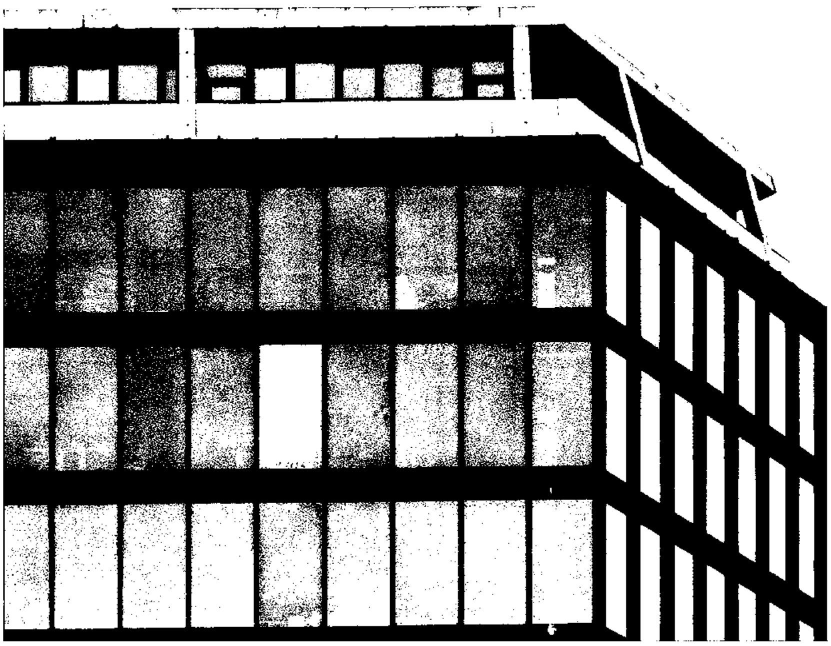
**KIONA Group and Holding AS Annual report 2022.pdf**

| Name | Method | Signed at |
|---|---|---|
| Solem, Guro | BANKID_MOBILE | 2023-06-15 11:32 GMT+02 |
| Svendsen, Magnus Bang | BANKID_MOBILE | 2023-06-15 11:31 GMT+02 |
| MIKAEL ANJOU | BANKID | 2023-06-14 22:43 GMT+02 |
| Zehetner, Kent | BANKID | 2023-06-14 19:53 GMT+02 |
| Bjørnnes, Trond-Øystein | BANKID_MOBILE | 2023-06-14 17:46 GMT+02 |
| Evensen, Gisle Glück | BANKID_MOBILE | 2023-06-15 14:42 GMT+02 |
| Lund, Morten Mosbakk | BANKID_MOBILE | 2023-06-15 13:16 GMT+02 |

This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: FE5B600FC62D4FAA93601A4FD594E753



www.kiona.com
info@kiona.com
Trondheim, Norway

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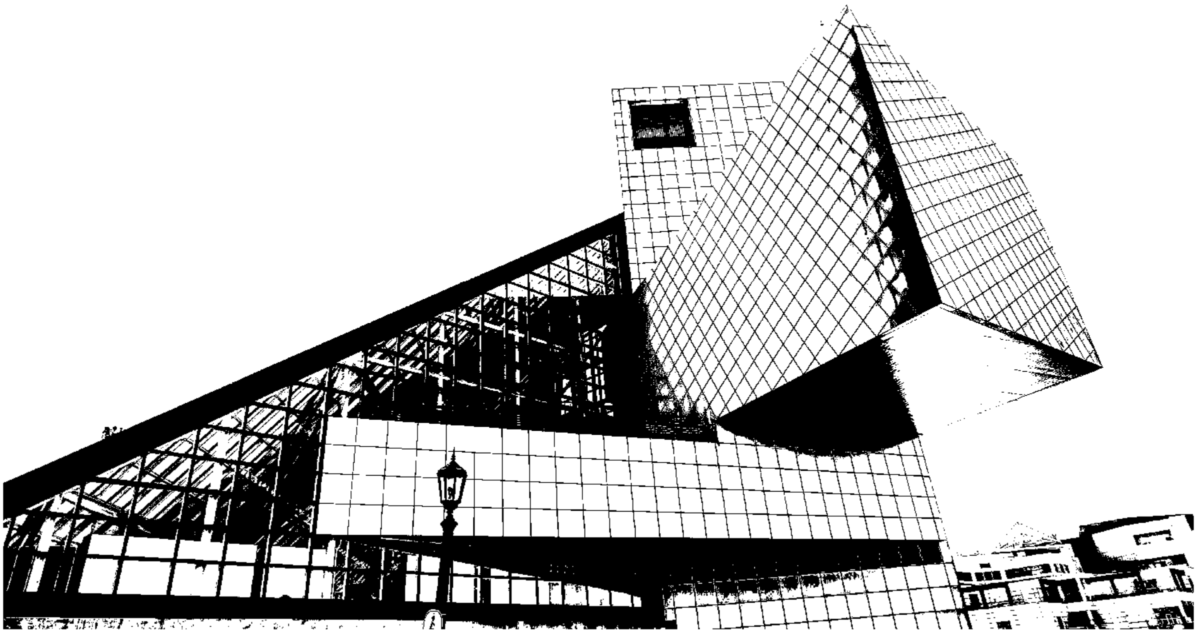
# Contents

# 01 →

# Management Report

## Kiona Group



## General

Kiona Holding AS ("Kiona" or "the Group") is a leading proptech company in Europe, enabling stakeholders to optimize resource efficiency while reducing emissions from buildings through the monitoring, control, and optimization of energy usage. With well-proven solutions for integration and connectivity, the Group helps customers achieve their financial and sustainability objectives by digitalizing new and old buildings and their heating, cooling, ventilation, and refrigeration systems. Kiona is headquartered in Trondheim, Norway.

## Going Concern

In accordance with the requirements of the Norwegian Securities Trading Act and the Norwegian Accounting Act, we confirm that the financial statements have been prepared under the assumption of a going concern.

The assumption is based on our current profit forecasts for 2023, long-term strategic forecasts, and the Group's financial position.

The consolidated financial statement for the year ended 31 December 2022, prepared in accordance with IFRS standards as issued by the International Accounting Standards Board. This was implemented for the first time in 2021 and earlier the financial statement has been prepared according to Norwegian Generally Accepted Accounting Principles (NGAAP).

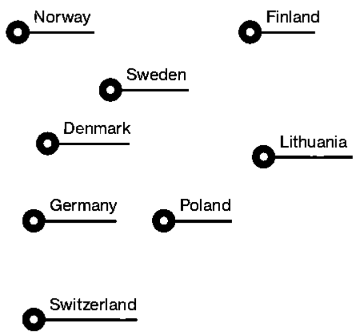
## Kiona in Brief

### Footprint

Kiona has 17 offices across eight countries with 144 employees. Leveraging this global footprint, Kiona serves daily more than 58,000 commercial properties, residential and public buildings and about 3,500 grocery stores in Europe. In 2021, Kiona Holding acquired

**8 countries**

**144+ employees**



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Cebyc (Socius Management), Egain, Moldeo, and Alpha Eco, to form the Kiona Group. The group is set to be the leading PropTech company in Europe, enabling stakeholders to optimize resource efficiency while reducing emissions from buildings through the monitoring, control, and optimization of energy usage. With well-proven solutions for integration and connectivity, the Kiona Group helps customers achieve their financial and sustainability objectives by digitalizing new and old buildings and their heating, cooling, ventilation, and refrigeration systems. The new portfolio offering has been well received in the market, with more interest for our products and numerous cross sales achieved during late 2021 and 2022. In 2022, we merged the entities in Norway, Sweden, and merged entities in Germany during Q2 2023, so we have one operating entity per country.

## Results

### Income from Operations

Kiona experienced a solid increase in Revenues, both organic and due to acquisitions. Revenues increased by 22.2%. Kiona realized revenues of MNOK 219.2 and MNOK 39.9 up compared to 2021. EBITDA excluding one-time expenses and transformation costs were MNOK 48.8 in 2022 compared to MNOK 25.9 in 2021. EBITDA for 2022 was MNOK 21.9 compared to MNOK (2.3) in 2021, where acquisition costs were a major cost component in 2021.

The acquisitions added in 2021 contributed approximately MNOK 87.3 in revenues for the Group in 2021, and the full-year effect in 2021 would have been approximately MNOK 18 in addition if all companies were in the Group from January 1st, 2021.

### Financial items

Kiona had net financial costs of MNOK 9.4 in 2022 versus MNOK 12.4 in 2021. Interest expense was MNOK 17.9 in 2022 compared to MNOK 13.0 in 2021, while net foreign exchange gain was MNOK 7.9 versus zero in 2021.

### Net profit

Pre-tax income in 2022 was negative MNOK (15.7) compared to a negative pre-tax income of MNOK (46.2) in 2021. Income tax was MNOK (5.1) in 2022 versus MNOK (7.4) in 2021, resulting in a net loss of MNOK 10.6 in 2022 against a net loss of MNOK 38.8 in 2021.

## Allocation of the Result

For 2022, the Group has posted a net loss of MNOK 10.6 against Other Equity.

## Cash flow

Cash flow from operating activities in 2022 was MNOK 20.8 compared to MNOK (5) in 2021. Cash flow from investing activities was MNOK (20.3) in 2022 compared to MNOK (122.6) in 2021. Finally, cash flow from financing activities was MNOK (0.2) in 2022 compared to MNOK 143.4 in 2021.

## Balance sheet

Kiona had a financial position with MNOK 41.5 cash on hand at year-end 2022, compared to MNOK 41.2 at year-end 2021. The Group's interest-bearing debt by yearend 2022 comprised a loan facility of MSEK 164.1 (MNOK 155.9). In addition, the Group had a credit facility with DNB of MNOK 5, which was undrawn by year end. At year-end of 2022, the NOK-value of the total interest-bearing loans was MNOK 155.9 compared to an interest-bearing debt of MNOK 152.8 at year-end of 2021. Changes include payment in kind interest added to the loan and currency adjustment. Kiona had intangible assets (incl. Goodwill) of MNOK 395.7 and tangible fixed assets of MNOK 27.0 at year-end 2022. Goodwill of MNOK 250.9 is related to the acquisitions of Socius Management AS, Egain International AB including Alpha Eco and Moldeo AB, all acquired in 2021.

The goodwill impairment has been tested as part of the year-end process, and the recoverable amounts were higher than the carrying values, and therefore, no impairment was recognized in 2022.

Capitalized Research and Development assets amounted to MNOK 42.5 at year-end 2022 versus MNOK 35.3 in 2021.

Development costs capitalized through the year were MNOK 16.0 in 2022 compared to MNOK 18.0 in 2021.

The main R&D projects through 2022 have been the development of the Edge and IWMAC products and common single sign on for all our products. Since its inception, Kiona has invested substantial resources in research, development, and innovation.

### Equity

At year-end 2022, equity totaled MNOK 177.8 and the Group had an equity to assets ratio of 31.7%.

The Board of Directors and Executive Management are of the opinion that the financial statements provide a true and fair view of Kiona Group's assets, liabilities, financial position, and results.

## Outlook for 2023

The outlook for 2023 is indeed positive. Kiona continues to be supported by strong underlying megatrends, namely mitigating climate change and digitalization, and continues to execute its strategic plans. The current situation in Ukraine and the sanctions against Russia and Belarus, which led to higher energy prices in Europe, have given further momentum for saving energy and more EU regulations to reduce emissions and increase attention for the Kiona products and services.

## Risk Factors

### Economic Risk

Although the Group's business is diversified geographically and by clients served, Kiona is still exposed to the economic cycle and macroeconomic fluctuations, as changes in the general economic situation could affect

demand for Kiona's products and pricing of services. In periods with recession and general lower activity, this will naturally affect volumes

In recovery periods, global activity would increase, which all other things being equal would increase volumes again. Given its high share of revenues in Swedish kroner, Kiona is exposed to fluctuations in the SEK / NOK rate. Exposure to SEK is mitigated by having a significant part of the Group's cost base and its long-term financing in SEK.

### Market Risk

The demand for Kiona's products will, to some extent, depend on the conditions in the relevant industry. Prices may come under increased pressure, and new regulatory requirements may adversely affect the demand for Kiona's services. Still, as the services of Kiona are focusing on the clients' focus to meet sustainability targets, save energy, and reduce costs, most regulatory changes are overall more likely to be positive to Kiona than negative.

### Credit Risk

In times of economic turmoil, customers might face challenges in meeting their obligations towards Kiona. An extremely limited customer concentration with low dependency on single customers mitigates such risk. Historically, the Group has only had insignificant losses due to credit risk.

### Financial Risk

Kiona is financed through a loan facility denominated in Swedish kroner. The loan is exposed to fluctuations in interest rates as well as fluctuations in the SEK / NOK exchange rate. The loan carries a variable interest rate based on 3-month STIBOR plus a fixed set of margins.

## Working Environment

Working conditions and the employee environment at Kiona's companies are considered to be good, with a total score of 77 % and a response rate of 84% on the last annual work environment survey.

Kiona had 144 employees (143,0 full-time equivalents) at year-end 2022 compared to 133 employees (132,5 full-time equivalents) at year-end 2021. No accidents or injuries occurred because of performing the tasks and assignments by the employees during 2022, while the sick leave amounted to 1.34 % in 2022.

## Equal Opportunities and Discrimination

The Group ensures equal opportunities and rights in recruitment, remuneration and working conditions, promotion, personal development, and protection against harassment. Kiona conducts its business with social consciousness and shows respect for colleagues, business partners and competitors, remuneration and working conditions, promotion, personal development, and protection against harassment.

Furthermore, Kiona aims to be an inclusive organization regarding reduced functional ability. Within the Group's workforce, nine different nationalities and many different religions are represented. The business Kiona operates in is male-dominated, and Kiona has a high focus on increasing the female percentage. By year-end 2022, 14.6 % of all employees were female compared to 14.3 % at the end of 2021. Kiona has one female serving director on the Board of Directors. The Group seeks to increase the proportion of females through recruitment.

At the end of 2022, Kiona mapped wage conditions by gender and involuntary part-time work. No employees are working part-time except for some students who work temporarily. There is no material difference in wage conditions by gender regarding positions. The average salary in 2022 for

males is KNOK 740, and the average wage for females is KNOK 614. The main reason for the difference is that Kiona has only one female in the Executive Management Team, and few females are in the Group.

## Kiona's Ethical Guidelines

Kiona conducts its business with social consciousness and shows respect for colleagues, business partners and competitors. Kiona is committed to ethical and legal business, environmental, human rights, and labor practices worldwide.

We demand honesty and integrity in all business relations. No employee may instigate, invite to, or accept services that conflict with legislation directly or through an intermediary.

Business transactions made on behalf of the Kiona Group must be available for documentation in accordance with the proper business code of conduct.

## Corporate Social Responsibility

The Kiona Group recognizes the environmental and social impact of our business activities. We focus on corporate social responsibility and sustainable business development at a strategic and operational level. Kiona's offering enables property owners and other stakeholders to optimize their technical installations and meet sustainability targets in the smartest and most cost-efficient way possible, saving resources and fighting climate change. Kiona is a software as a service company, and the main cost factor is staff costs and we have limited environmental impacts. On a yearly basis we are measuring the CO2 effects of all our cost factors, and we will, during 2023, set targets for reducing our environmental footprint.

## Director and Officer Insurance

Kiona has a Director & Officer Insurance policy with the insurer AIG, and this policy has been renewed in May 2022. The D&O (Director & Officer) coverage is maximum MNOK 20 per year and per incident.

“

Kiona conducts its business with social consciousness and shows respect for colleagues, business partners and competitors

# 02 →

# Annual Report on Corporate Governance

## Code of Practice

Kiona's organization is structured and managed in accordance with the Norwegian Code of Practice for Corporate Governance. The Board of Directors states that Kiona has followed the code throughout 2022.

## Reporting on Corporate Governance

Kiona complies with the Corporate Governance recommendations through regular Board of Directors meetings, regular operational monitoring, the information provided in annual reports, and other materials. In addition to the Code of Practice, the Board of Directors has adopted the Employee Conduct Code.

These policies form a comprehensive set of ethical guidelines for the Group's corporate social responsibility. The Employee Conduct Code defines the Group's standards for the conduct of all business, legal, and ethical matters carried out and arising in daily business. This is meant as a tool and guide for dealings with clients, partners, interaction with competitors, fellow employees and in financial areas.

Among others, the Employee Conduct Code addresses conflict of interest, prohibitions on third-party gifts, issues regarding mutual respect, and harassment.

## Equity and Dividends

### Equity

At year-end 2022, equity totaled MNOK 177.8 and the Group had an equity to assets ratio of 31.7%. The Board of Directors considers this satisfactory given Kiona's requirement for solidity in relation to its objectives and expressed goals, strategy, and risk profile.

### Dividend Policy

Kiona complies with the requirements of the Companies Law and the Code of Practice. The Board of Directors intends to maximize the return to shareholders over time, which necessitates a continual assessment of the investment growth potential of the business in the future versus dividend pay-out. Capital Increases Kiona complies with the requirements of the Companies Law.

## Equal Treatment of Shareholders and Transactions with Close Associates

### Class of Shares

Kiona's share capital consists of common shares entitle their holder to one vote for each share held.

### Related Party Transactions

Kiona complies with the requirements of the Companies Law, which codifies the fiduciary duties that an office holder, including directors and executive officers, owe to a company. An office holder's fiduciary duties consist of a duty of care and a duty of loyalty. Approval of compensation of the Chief Executive Officer requires the approval of the Compensation Committee and Board of Directors meeting by simple majority.

Approval of compensation of directors requires the approval of the Compensation Committee and Board of Directors meeting. The vote at the Board of Directors meeting requires a simple majority. A Director who has a personal interest in a transaction may not be present at a meeting of the Board of Directors or the Compensation Committee convened for the purpose of approving such transaction unless the majority of the members of the Board of Directors or the Compensation Committee have a personal interest in the transaction.

The above principles with regard to required approvals for related party transactions provide for a mechanism of approval that is intended to protect the shareholders, in line with the purpose of the Code of Practice.

The Board of Directors and the Compensation Committee are aware of the recommendation by the Code of Practice that a valuation from a third party is obtained from an independent third party with respect of non-immaterial related party transactions. In view of the above, Kiona considers it complies with the Code of Practice's recommendation regarding related party transactions.

## General Meetings

Kiona complies with this recommendation. A general meeting of the shareholders is held once every fiscal year at a place and time, not being more than 6 months after the end of the year, as may be prescribed by the Board of Directors.

Shareholders who are unable to attend the meeting are encouraged to sign their proxy card.

## Nomination Committee

Kiona complies with the requirements of the Companies Law. Accordingly, Directors are elected by the shareholders meeting.

## Board of Directors: Composition and Independence

Kiona complies with the requirement of the Companies Law. All six Directors are independent of the Group's management and material business contacts.

## The Work of the Board of Directors

### Board Responsibilities

Kiona complies with the requirement of the Companies Law and the Code of Practice. The Board of Directors outlines the Group's policy and supervises the performance of the functions and acts of the Chief Executive Officer. The Board of Directors is entitled to perform all the Group's powers and authorities and to perform in its name all the acts that it is entitled to do according to its Memorandum of association and/or Articles and/or law except for those which pursuant to law or the Articles of Association of the Group are vested in the general meeting of the Group.

There is a clear division of responsibilities between the Board of Directors and the executive management. The Chair is responsible for the Board of Directors' work being conducted in an efficient, correct manner, and in accordance with the Board of Directors' terms of reference. The Chief Executive Officer is responsible for the operational management of the Group. The Board of Directors may also appoint committees.

## Transparency Act

Kiona statement of the transparency act will be posted on our website www.kiona.com within June 30, 2023.

## Remuneration of the Board of Directors and Executive Management

Kiona complies with the requirement of the Companies Law and the Code of Practice.

## Information and Communications

Kiona substantially complies with the Code of Practice. The Board of Directors has implemented guidelines for its financial reporting and discloses its financial calendar.

## Auditor

Kiona complies with the requirements of the Companies Law and the Code of Practice. The Group's statutory auditors have been Deloitte since 2001. The report of the independent auditor for the last 20 years has been clean without comments, qualifications, or reservations. The Board of Directors gathers for a meeting once a year with the auditors without the presence of management. The auditors are elected by the shareholders meeting of the parent company, Kiona Holding AS, and the Board of Directors fixes their remuneration.

## Confirmation from the Board of Directors and CEO

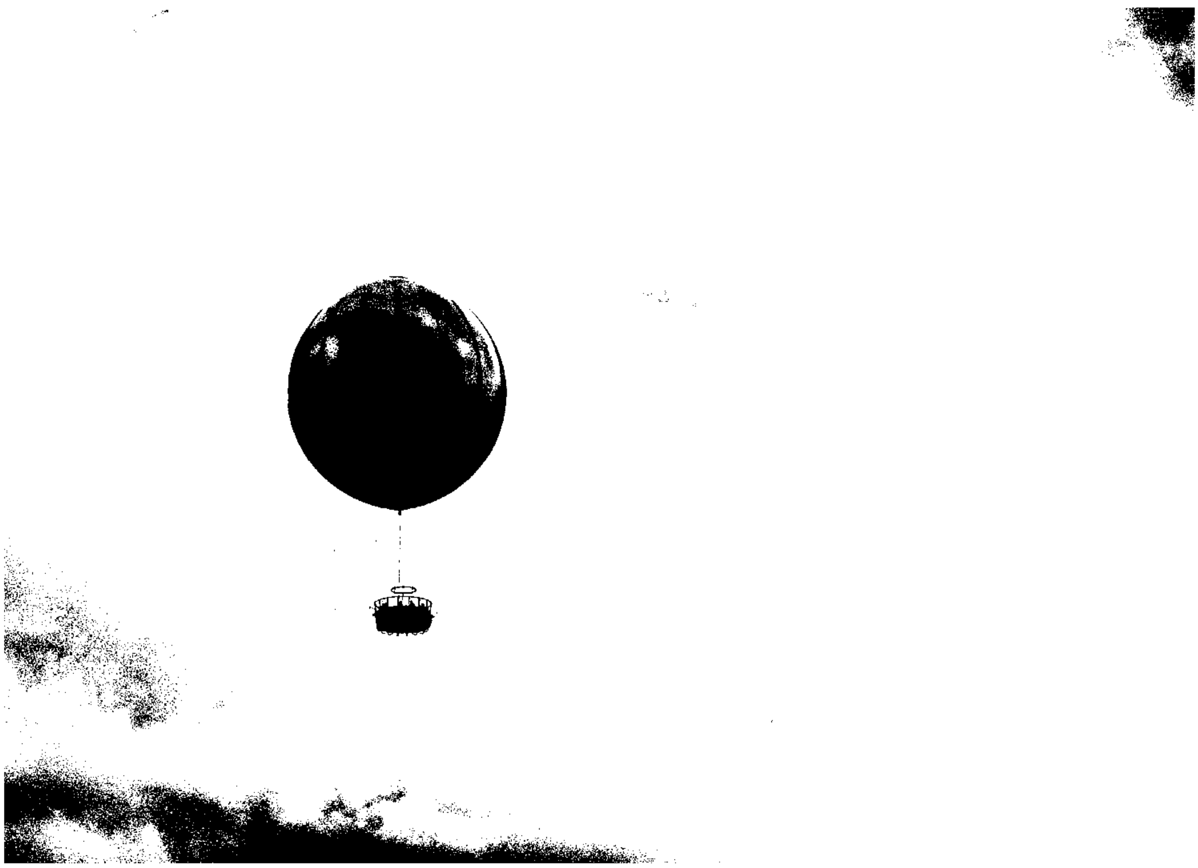
We confirm that, to the best of our knowledge, the financial statements for the period from January 1 to December 31, 2022, have been prepared in accordance with applicable accounting standards and give a

true and fair view of the Group consolidated assets, liabilities, financial position, results of operations, and that the Management Report provides a true and fair view of the development and performance of the business and the position of the Group together with a description of the key risks and uncertainty factors that the company is facing.

# 03 →

# Management Report

## Kiona Holding AS



## Brief

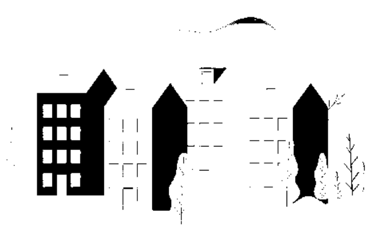
Kiona Holding AS (the "Company") is the holding company. Kiona Holding AS had revenues of MNOK 71.4 in 2022, all related to group transactions. In March 2022 Kiona issued 47.940 shares equal to MNOK 7.5 in an employee benefit scheme and changed the name from Kiona AS to Kiona Holding AS. Other than these events, there have not been any events of material significance to the Company's position.

Net loss was MNOK 27.1 in 2022 compared to a net loss of MNOK 46.0 in 2021. Net loss will be posted to Other Equity.

As of year-end 2022, equity is MNOK 214.1 compared to MNOK 227.6 in 2021, and the Company had an equity-to-assets ratio of 41.0 %. The Board of Directors considers this satisfactory given Kiona's requirement for solidity in relation to its objectives and expressed goals, strategy, and risk profile. We confirm that the going concern assumption is true. No dividend payment is suggested for 2022.

## Organization structure:

Kiona Holding AS has no employees.



[redacted]

| Kiona AS | Kiona Sweden AB | Kiona LT | Kiona A/S | Kiona GmbH | Kiona Sp Zoo | Kiona Oy | Kiona Sarl |
|---|---|---|---|---|---|---|---|
| Org. # 984699980 | Org. # 556734-6738 | Org. # 300602465 | Org. # 33262671 | Org. # HRB172923B | Org. # KRS0000361782 | Org. # 2206472-6 | Org. # CHE-485.122.122 |

## Confirmation from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the financial statements for the period from January 1 to December 31, 2022 have been prepared in accordance with applicable accounting standards and give a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and this Annual Report provides a true and fair view of the development and performance of the business and the position of the Company together with a description of the key risks and uncertainty factors that the company is facing.

Trondheim,

June 12, 2023

Signed Electronically,

| | | |
|---|---|---|
| Trond Øystein Bjørnnes<br>**CEO** | Kent Zehetner<br>**Chair** | Leif Mikael Anjou<br>**Director** |
| Gisle Glück Evensen<br>**Director** | Guro Solem<br>**Director** | Morten Lund<br>**Director** |
| Magnus Bang Svendsen<br>**Director** | | |

# 04 →

# Financial Statements

## Kiona Group

## Consolidated Statement of Profit or Loss

### For the year ended 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Continuing Operations** | | | |
| Recurring revenues from contract with customers | 5 | 175,079 | 167,614 |
| Other revenues from contracts with customers | 5 | 44,363 | 11,366 |
| Other operating income | | 0 | 329 |
| **Total Operating Income** | | **219,175** | **179,309** |
| **Operating Expenses** | | | |
| Cost of goods sold | | 27,240 | 21,431 |
| Employee benefit expenses | 6 | 121,463 | 102,291 |
| Other operating expenses | 6 | 48,602 | 57,883 |
| **Total operating expenses** | | **197,305** | **181,605** |
| **Operating profit before depreciation and amortisations (EBITDA)** | | **21,870** | **(2,297)** |
| Depreciation and amortisation expense | 9, 10, 16 | 28,233 | 31,515 |
| **Operating result** | | **(6,364)** | **(33,811)** |
| **Finance income and expense** | | | |
| Finance income | 7 | 12,451 | 1,104 |
| Finance expense | 7 | 21,836 | 13,489 |
| **Net Finance Income And Expense** | | **(9,385)** | **(12,385)** |
| **Profit (loss) before tax** | | **(15,748)** | **(46,196)** |
| Tax expense | 8 | (5,104) | (7,417) |
| **Profit (loss)** | | **(10,644)** | **(38,779)** |
| **Other comprehensive income** | | | |
| Items that will or may be reclassified to profit or loss: | | | |
| Exchange gains arising on translation of foreign operations | | (11,531) | (4,590) |
| **Total Comprehensive Income** | | **(22,175)** | **(43,369)** |
| **Total comprehensive income attributable to:** | | | |
| Owners of the parent | | (22,175) | (43,369) |

# Consolidated Statement of Financial Position

## As of 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Deferred tax asset | 8 | 23,924 | 3,192 |
| Intangible assets | 9 | 120,802 | 131,514 |
| Goodwill | 9 | 250,899 | 241,870 |
| Property, plant and equipment | 10 | 4,404 | 463 |
| Right-of-use assets | 16 | 21,747 | 25,878 |
| Investments | 4 | 12 | 12 |
| Other non-current assets | 4 | 863 | 1,346 |
| **Total non-current assets** | | **422,650** | **404,275** |
| | | | |
| **Current assets** | | | |
| Inventories | 11 | 9,494 | 7,255 |
| Contract assets | 5 | 35,911 | 36,173 |
| Trade receivables | 4.12 | 35,072 | 31,823 |
| Other current receivables | 4 | 15,791 | 7 291 |
| **Current assets** | | **96,267** | **82,542** |
| | | | |
| Cash and cash equivalents | 4.13 | 41,485 | 41,160 |
| **Total Cash and cash equivalents** | | **41,485** | **41,160** |
| | | | |
| **Total Current Assets** | | **137,752** | **123,701** |
| | | | |
| **Total Assets** | | **560,402** | **527,976** |

## Consolidated Statement of Financial Position (cont.)

**As of 31 December 2022**

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Equity and liabilities** | | | |
| **Equity** | | | |
| **Issued capital and reserves attributable to owners of the parent** | | | |
| Share capital | 14 | 666 | 660 |
| Share premium | 14 | 263,654 | 256,113 |
| Foreign exchange reserve | | (16,121) | (4,590) |
| Other reserves | | (70,385) | (71,153) |
| **Total equity** | | **177,815** | **181,030** |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| Loans and borrowings | 15 | 155,913 | 152,775 |
| Lease liabilities | 15.16 | 14,945 | 19,119 |
| Other non-current liabilities | 15 | 1,540 | 1,490 |
| Deferred tax liabilities | 8 | 13,230 | 0 |
| **Total Non-current Liabilities** | | **185,628** | **173,384** |
| **Current liabilities** | | | |
| Trade payables | | 16,093 | 13,464 |
| Current lease liabilities | 16 | 7,127 | 6,827 |
| Public duties payable | | 18,890 | 8,953 |
| Income tax payable | 8 | 2,306 | 600 |
| Contract liabilities | 5 | 76,110 | 76,749 |
| Dividends | 14 | 0 | 0 |
| Other current liabilities | | 76,432 | 66,971 |
| **Total Current Liabilities** | | **196,959** | **173,563** |
| **Total Liabilities** | | **382,587** | **346,947** |
| **Total Equity and Liabilities** | | **560,402** | **527,976** |

Trondheim, June 12, 2023 | Signed Electronically,

| | | | |
|---|---|---|---|
| Trond Øystein Bjørnnes<br>**CEO** | Kent Zehetner<br>**Chair** | Leif Mikael Anjou<br>**Director** | |
| Magnus Bang Svendsen<br>**Director** | Gisle Glück Evensen<br>**Director** | Guro Solem<br>**Director** | Morten Lund<br>**Director** |

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## Consolidated Statement of Changes in Equity

| (All figures in NOK 1 000) | Note | Share capital | Share premium | Foreign exchange reserve | Other Equity | Total Equity |
|---|---|---|---|---|---|---|
| **31 December 2020** | | **401** | **35,272** | **(664)** | **(31,710)** | **3,300** |
| Profit from continuing operations | | | | | (38,779) | (38,779) |
| Other comprehensive Income | | | | (3,926) | (664) | (4,590) |
| **Total comprehensive Income for the year** | | **0** | **0** | **(3,926)** | **(39,443)** | **(43,369)** |
| Capital increase | | 258 | 220,841 | | 0 | 221,099 |
| **Contributions by and distributions to owners** | | **258** | **220,841** | **-** | **0** | **221,099** |
| **31 December 2021** | | **660** | **256,113** | **(4,590)** | **(71,153)** | **181,030** |
| Profit (loss) from continuing operations | | | | | (10,644) | (10,644) |
| Other comprehensive Income | | | | (10,866) | 0 | (10,866) |
| Prior year corrections | | | | (664) | 664 | 0 |
| **Total comprehensive Income for the year** | | **0** | **0** | **(11,531)** | **(9,980)** | **(21,511)** |
| Prior year corrections | | | | 0 | 10,085 | 10,085 |
| Capital increase | | 7 | 7,541 | | 663 | 8,210 |
| **Contributions by and distributions to owners** | | **7** | **7,541** | **-** | **663** | **8,210** |
| **31 December 2022** | | **666** | **263,654** | **(16,121)** | **(70,385)** | **177,815** |

# Consolidated Statement of Cash Flows

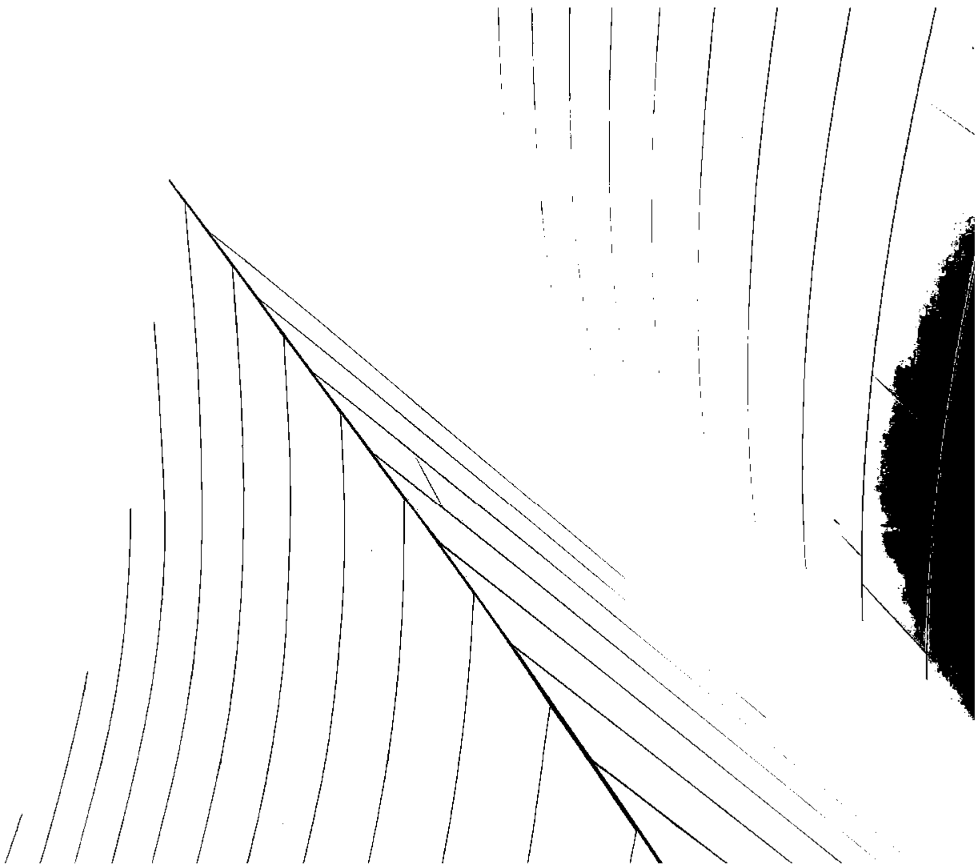
## For the year ended 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit (loss) before tax for the year | | (15,748) | (46,196) |
| **Adjusted For** | | | |
| Depreciation and amortisation expense | 9,10 | 28,233 | 31,515 |
| Finance income | 7 | (12,451) | (1,104) |
| Finance expense | 7 | 21,836 | 13,489 |
| Effect of exchange rate fluctuations | | (10,780) | (4,691) |
| Increase in trade and other receivables | | (11,749) | (19,736) |
| Increase in inventories | | (2,239) | 1,588 |
| Decrease in trade and other payables | | 2,630 | 6,903 |
| Change in other accrual items | | 21,105 | 17,439 |
| **Cash generated from operations** | | **36,585** | **45,403** |
| Income tax paid | 8 | 0 | (4,217) |
| **Net cash flows from operating activities** | | **20,836** | **(5,010)** |
| **Investing activities** | | | |
| Acquisition of subsidiary, net of cash acquired | | 0 | (92,797) |
| Purchases of property, plant and equipment | 9, 10 | (20,322) | (30,148) |
| Proceeds from the sale of other investments | | 0 | 352 |
| Payments to buy other investments | | 0 | 0 |
| **Net cash used in investing activities** | | **(20,322)** | **(122,593)** |
| **Financing activities** | | | |
| Proceeds from the issuance of new long-term liabilities | 15 | 0 | 152,775 |
| Proceeds from the Issuance of new current liabilities | 15 | 0 | 6,564 |
| Repayment of long-term liabilities | 16 | 0 | (2,081) |
| Repayment of current liabilities | 16 | 0 | 0 |
| Interests paid | | (8,401) | (3,375) |
| Net change in bank overdraft | | 0 | 0 |
| Proceeds from equity | | 8,210 | 0 |
| Dividends paid to the holders of the parent | 14 | - | (10,441) |
| **Net cash (used in)/from financing activities** | | **(191)** | **143,442** |
| **Net increase in cash and cash equivalents** | | **324** | **15,838** |
| **Cash and cash equivalents at beginning of year** | | **41,160** | **25,321** |
| **Cash and cash equivalents at end of year** | | **41,485** | **41,160** |

# 05 →

# Notes to the Financial Statement

## Kiona Group



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## Note 1 General Information

Kiona Holding AS (formerly Kiona AS) is the parent company in the Kiona Group, the subsidiaries are technology companies providing services for monitoring the performance of technical installations, with the purpose of saving energy and avoiding product losses.

Kiona Holding AS is a limited liability company registered in Norway. The head office of the company is located in Leirfossvegen 27, Trondheim, Norway.

This year's financial statements were approved for issue by the Board of Directors on 12 June 2023.

## Note 2 Critical Accounting Estimates And Judgements

The preparation of financial statements requires management to make some assessments, calculate estimates and set assumptions that affect the amounts reported in the financial statements and in the corresponding notes. Management bases its estimates and assessments on historical experience, as well as a number of other factors considered relevant in the situation. This in turn forms the basis for the assessments made related to the carrying amount of assets and liabilities where this is not obviously available from other sources.

### Revenue recognition

The contracts with customers includes payments for hardware, setup cost and payment for the ongoing delivery after the hardware and the setup is completed. For revenue recognition purposes the management has to consider if some or all of these components is considered a separate performance obligation under IFRS. The management has concluded that the contract with the customers includes two components that are separate performance obligation under IFRS, the hardware and the ongoing service provided in subsequent periods. The consideration received is allocated between these two performance obligations.

### Impairment of intangible assets including goodwill

The Group's management assesses whether there is an impairment of an intangible asset when indicators indicate that the book value cannot be recovered. The determination of recoverable amounts of intangible assets is based in part on management's assessment, including estimates of future performance, the asset's revenue-generating capacity, as well as assumptions about future market conditions. Changes in the situation, as well as in management's assessment and assumptions, can cause losses as a result of impairments during the relevant periods. The recognized value of intangible assets as at 31 December 2022 and 2021 was MNOK 371 701 and MNOK 373 384, respectively, including goodwill.

The Group as a minimum performs an annual impairment test of goodwill and other intangible assets that are not depreciated. The test is bases on calculations of the value in use of the cash-generating units that have goodwill associated with them. To estimate the value of use, the Group must estimate expected future cash flow from the cash flow-generating units, as well as select a suitable discount rate for the current value calculation of cash flow.

## Note 3.1 Accounting Policies

### General

#### Basis for Preparation

The consolidated financial statements have been prepared in accordance with applicable international standards for financial reporting (IFRS) and interpretations from the IFRS Interpretation Committee (IFRIC), as adopted by the EU.

The financial statements for 2021 were the first financial statements prepared in accordance with IFRS.

The consolidated financial statements are based on a modified historical cost principle. The exceptions from historical cost relates to financial assets and liabilities at fair value through profit or loss. The accounting principles used are consistent with last year. These consolidated financial statements have been prepared on the assumption of going concern.

### Consolidation policies

Subsidiaries are all entities (including structured entities) that the Group has control over. Control over an entity occurs when the Group is exposed to variability in the return from the entity and has the ability to influence that return through its power over the entity. Subsidiaries are consolidated from the day control is obtained and deconsolidate when control ceases.

The consolidated financial statements are prepared according to uniform principles. Intercompany transactions and balances, including internal profits and unrealized gains and losses, have been eliminated.  The subsidiaries follow the same accounting policies as the parent company.

Associated companies are entities where the Group has significant influence, but not control (normally at a stake of between 20 per cent and 50 per cent). Associates are accounted for according to the equity method in the consolidated financial statements.  The groups share of profit or loss is included in the consolidated financial statements from the time of acquisition and is classified as financial income.  The share of profit or loss is added to (or subtracted) the carrying amount of the investments in shares in associated companies.

### Business combinations and goodwill

When acquiring a business, the acquisition method is used. The consideration that is provided is measured at the fair value of transferred assets, liabilities incurred and issued equity instruments. Included in the consideration is also the fair value any contingent consideration agreement. Identified assets, liabilities and contingent liabilities are recognized at fair value at the transaction date. Non-controlling interests in the acquired entity are measured from a business combination to business combination either at fair value or to their share of the fair value of acquired entity's net assets.

Transaction cost related to acquisitions are expensed when they are incurred.

If business combinations take place in several stages, ownership from previous purchases shall be revalued at fair value when control is obtained with any changes in fair value recognized in profit or loss.

Contingent consideration is measured at fair value at the transaction date. Subsequent changes in the fair value of the contingent consideration is recognized through profit or loss. For contingent consideration classified at equity is recognized in equity and are not subsequently remeasured.

If the consideration (including any non-controlling interests and fair value of previous holdings) exceeds the fair value of identifiable assets and liabilities in the acquisition, the excess amount is recognized as goodwill. If the consideration (including any non-controlling interests and fair value of previous holdings) constitutes less than the fair value of net assets in the subsidiary as a result of a purchase on favourable terms, the difference is recognized as a gain in the income

## Note 3.1 Accounting Policies (cont.)

statement.

Transactions with non-controlling owners in subsidiaries that do not result in loss of control are treated as equity transactions. In the event of further purchases, the difference between the consideration and the shares' proportional share of the carrying amount of net assets in the subsidiary is recognized against the equity of the parent company's owners. Gains or losses on sale to non-controlling owners are recognized accordingly in equity.

Goodwill and other intangible assets with undefended economic life are tested annually for impairments. In connection with this, the intangible assets are allocated to cash flow-generating units or groups of cash flow-generating entities that are expected to benefit from the synergies of the business association. Each unit or group of units where goodwill has been allocated represents the lowest level of the enterprise where goodwill is followed up for internal management purposes. Goodwill is followed up by operating segment.

### Functional currency and presentation currency

The Group's presentation currency is NOK. This is also the parent company's functional currency. Subsidiaries with other functional currencies are converted into the balance sheet date's exchange rate for balance sheet items, and profit and loss items are converted into transaction prices. As an approach to transaction courses, monthly average rates are used. Translation differences are recognized in equity.

### Foreign currency

Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Monetary items in foreign currency are converted into NOK using the balance sheet date's exchange rate. Non-monetary items measured at historical exchange rates expressed in foreign currency are converted into NOK using the exchange rate at the time of the transaction. Gains and losses from exchange rate changes are recognized in the income statement on an ongoing basis during the accounting period.

Currency gains and losses related to purchase of inventory are classified as cost of goods. This consists mainly of accounts payable in foreign currency.

Assets and liabilities in foreign operations are converted into NOK using the balance sheet date's currency rate. Revenues and expenses in foreign operations converted into NOK using average prices. The translation difference because of the conversion of foreign operations are recognize in other comprehensive income. Accumulated translation differences in equity are recycled into profit and loss upon divestment of foreign operations.

### Revenues from contracts with customer

Revenue from contracts with customers is recognized when control of the goods 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 goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The contracts with customers includes payments for hardware, setup cost and payment for the ongoing delivery after the hardware and the setup is completed. Management has concluded that the contracts includes two separate performance obligation, sales of hardware and sale of subsequent services.

#### Allocation of transaction price between sale of hardware and subsequent services

## Note 3.1 Accounting Policies (cont.)

The Group provides services that are sold separately or bundled together with the sale of hardware to a customer. Contracts for the bundled sale of goods and services that comprise of two performance obligations where each performance obligation constitute the sale of goods and services are recognized according to the principles above. The transaction price determined in the contract is allocated to the two performance obligations based on the relative stand-alone selling prices.

**Sale of hardware**

The Group recognises revenue from the sale of hardware at the point in time when control of the goods is transferred to the customer. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits from the asset, and the ability to prevent others from directing the use of and receiving the benefits from the asset. Revenue is generally recognized on delivery of the hardware.

**Revenues for subsequent services**

The Group recognises revenue from rendering of services over time, because the customer simultaneously receives and consumes the benefits provided by the Group. The Group recognises revenue over time based on the passage of time as the same service is provided each day. Amounts invoiced for cost accrued relating to activities that do not constitute a separate performance obligation are recognized as revenue over the expected term of the contract including renewals.

**Deferred revenue from set-up activities**

The set-up activities are part of what is needed to provide the subsequent services. Invoiced amount for set-up activities are therefor recognised as part of the revenue from subsequent activities. The contracts with customers are entered into for a period of one year, with option for renewals. Contracts has historically been renewed for a significant number of years. Changes on the customers premisses means that the set-up activities will have to be repeated.

Based on the historical churn and the frequency of changes on the customers premises the management has concluded that it is appropriate to recognise the consideration from set-up activities over a period of five years.

**Contract asset - cost relating to set-up activities**

The set up-activities requires a significant number of manhours to be completed. The Group has concluded that the cost associated with these manhours enhances the software controlled by the Group. Based on this the cost is recognised in the balance sheet as a contract asset. The contract asset is measured based on the estimated cost of the estimated manhours used to complete the set-up activities. The contract asset is expensed over the same period as the related revenues are recognised.

**Payment terms**

Invoices are generally due within 30 days or less according to the terms of the contracts with the customers. The contracts does not include a significant finance component.

### Classification of balance sheet items

Current assets and current liabilities include items due for payment within a year after the balance sheet date, as well as items that relate to the operating cycle. Other items are classified as fixed asset/long-term liabilities. Receivables from deferred payment are considered as being part of the operating cycle, and consequently classified as a current asset.

### Financial assets

## Note 3.1 Accounting Policies (cont.)

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

**Amortised cost**

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognized in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

### Financial Liabilities

The Group classifies its financial liabilities other financial liabilities

**Other financial liabilities**

Other financial liabilities include the following items:

Bank borrowings are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short-term monetary liabilities, which are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method.

### Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Weighted average cost is used to determine the cost of ordinarily interchangeable items.

### Externally acquired intangible assets

## Note 3.1 Accounting Policies (cont.)

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives.

| Intangible asset | Useful economic life | Valuation method |
|---|---|---|
| Brand names | N/A | Relief from royalty |
| Technology | 5 Years | Relief from royalty |
| Customer relationship | 10 Years | Multi-period excess earnings |

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques (see section related to critical estimates and judgements below).

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:

### Internally generated intangible assets (development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

> It is technically feasible to develop the product for it to be sold

> Adequate resources are available to complete the development

> There is an intention to complete and sell the product

> The Group is able to sell the product

> Sale of the product will generate future economic benefits, and

> Expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. The amortisation expense is included within the depreciation and mortisation line in the consolidated statement of comprehensive income.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognized in the consolidated statement of comprehensive income as incurred.

### Property, plant and equipment

Items of property, plant and equipment are initially recognized at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives.

### Intangible assets

Intangible assets are initially recognized at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs. Development, patents and licenses are depreciated in order to write off the carrying value over he expected period of use.

### Impairment of non-financial assets (excluding inventories and

## Note 3.1 Accounting Policies (cont.)

### deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units (Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill). Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill is not reversed.

### Dividends and group contributions

Dividends are first classified as liabilities when approved by the general meeting.

### Taxes

The tax expense in the income statement includes both current tax payable and changes in deferred tax/deferred tax assets.

Current tax constitutes the expected tax payable on the year's taxable result at the applicable tax rates on the balance sheet date and any corrections of tax payable for previous years.

Tax payable and deferred tax/deferred tax assets are calculated at the tax rate applicable in Norway.

Deferred tax/deferred tax assets are calculated on the basis of the temporary differences that exist between accounting and tax bases of assets and liabilities, as well as tax losses carried forward at year end. Net deferred tax assets are recognized to the extent that there is convincing evidence that there will be taxable income available to utilize the deferred tax asset.

### Cash flow statement

The cash flow statement has been prepared according to the indirect method.

### Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

## Note 3.1 Accounting Policies (cont.)

> Amounts expected to be payable under any residual value guarantee;

> The exercise price of any purchase option granted in favor of the group if it is reasonably certain to assess that option.

> Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

> Lease payments made at or before commencement of the lease.

> Initial direct costs incurred

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognized in profit or loss.

### Pension

#### Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

### Events after the balance sheet date

New information about the company's position on the balance sheet date is included in the financial statements.  Events that occur after the balance sheet date that do not affect the company's position on the balance sheet date, but which affect the company's future position are reported if it is of significance.

## Note 3.2 Changes in Accounting Policies

### New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early. None of these are expected to have significant effect on the financial statements of the Group.

## Note 4 Financial Instruments - Risk Management

The Group is exposed through its operations to the following financial risks:

> Credit risk
> Interest rate risk
> Foreign exchange risk, and
> Liquidity risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

### Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

> Trade receivables
> Cash and cash equivalents
> Trade and Other payables
> Bank overdrafts
> Floating-rate loans
> Fixed rate loans

The Group uses financial instruments like loans and overdraft facility. The purpose of the financial instruments is to raise capital for investments necessary for Group operations and new acquisitions.

## Note 4 Financial Instruments - Risk Management (cont.)

### Financial instruments based on category

**31.12.2022**

| (All figures in NOK 1 000) | Financial assets at fair value | Financial asset at amortized cost | Financial liabilities at fair value | Financial liabilities at amortized cost | Total |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investments | | 12 | | | |
| Other non-current assets | | 875 | | | |
| Trade receivables and other receivables | | 35,072 | | | |
| Other current receivables | | 16,013 | | | |
| Cash | | 41,485 | | | |
| **Liabilities** | | | | | |
| Debt to financial institutions | | | | 155,913 | |
| Trade payable, public duties payable and other current liabilities | | | | 111,415 | |
| **Net Financial Assets and Liabilities At 31 December 2022** | **-** | **93,456** | **-** | **267,329** | **(174,107)** |

**31.12.2021**

| (All figures in NOK 1 000) | Financial assets at fair value | Financial asset at amortized cost | Financial liabilities at fair value | Financial liabilities at amortized cost | Total |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investments | | 12 | | | |
| Other non-current assets | | 1,346 | | | |
| Trade receivables and other receivables | | 31,823 | | | |
| Other current receivables | | 7,291 | | | |
| Cash | | 41,160 | | | |
| **Liabilities** | | | | | |
| Debt to financial institutions | | | | 152,775 | |
| Trade payable, public duties payable and other current liabilities | | | | 89,387 | |
| **Net Financial Assets And Liabilities At 31 December 2021** | **-** | **81,631** | **-** | **242,162** | **(160,531)** |

## Note 4 Financial Instruments - Risk Management (cont.)

### Fair value of financial instruments recognized at amortized cost

Financial instruments recognized at amortized cost consist of liabilities with floating rates. Recognized value is assumed to be a good indication of fair value for these liabilities taking into consideration the current margin and market conditions.

### General objectives, policies and processes

This note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance. Current year profit and loss information has been included where relevant to add further context.

The Group has financial instruments such as account receivables, accounts payables etc. which are directly linked to the daily operation. Treasury policy has been approved by the board and are carried out by the Group finance department in cooperation with the individual operational units. The most significant financial risks for the Group are interest rate risk, liquidity risk, exchange rate risk and economic, political and legal risk. Management continuously evaluates these risks.

### Capital management

No group companies are subject to external capital requirements. The Group assess it capital based on the desire equity ratio based on the risk assessments in the individual companies. The objective of capital management is that the Group shall have an adequate capital base for the ongoing operations and potentials new projects. The capital base is mainly governed in dialogue with the main owner in relation to how much of the current results are distributed in dividends.

### Currency Risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency.

## Note 4 Financial Instruments - Risk Management (cont.)

Exposure at 31 December was as follows: (NOK thousand)

As of 31 December the Group's net exposure to foreign exchange risk was as follows:

| | Functional currency of individual entity | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **2022** | **NOK** | **EURO** | **SEK** | **DKK** | **CHF** | **PLN** | **OTHER** | **Total** |
| **Net foreign currency financial assets / (Liabilities)** | | | | | | | | |
| **Currency** | | | | | | | | |
| NOK | - | - | - | - | - | - | - | 0 |
| EURO | (17,971) | - | 19,212 | (112) | (3) | - | - | 1,126 |
| SEK | (170,324) | - | - | - | - | - | - | (170,324) |
| DKK | 405 | - | - | - | - | - | - | 405 |
| CHF | (2,677) | - | - | - | - | - | - | (2,677) |
| PLN | (280) | - | 749 | - | - | - | - | 469 |
| OTHER | 198 | - | - | - | - | - | - | 198 |
| **Total net exposure** | **(190,649)** | **0** | **19,961** | **(112)** | **(3)** | **0** | **0** | **(170,803)** |

| **2021** | **NOK** | **EURO** | **SEK** | **DKK** | **CHF** | **PLN** | **OTHER** | **Total** |
|---|---|---|---|---|---|---|---|---|
| **Net foreign currency financial assets / (Liabilities)** | | | | | | | | |
| **Currency** | | | | | | | | |
| NOK | | (1,622) | - | - | - | - | - | (1,622) |
| EURO | (2,977) | | (362) | (11) | - | - | - | (3,350) |
| SEK | (153,377) | (898) | | (1) | - | - | - | (154,276) |
| CHF | 0 | - | - | | - | - | - | 0 |
| DKK | 0 | - | 0 | - | | - | - | 0 |
| PLN | 71 | - | 244 | - | - | | - | 315 |
| OTHER | (2,379) | - | 239 | - | - | - | | (2,140) |
| **Total net exposure** | **(158,662)** | **(2,520)** | **121** | **(12)** | **0** | **0** | **0** | **(161,073)** |

## Note 4 Financial Instruments - Risk Management (cont.)

### Interest rate risk

The Group's interest rate risk arises in both the short and medium-term perspective as The Group's borrowings are held at floating interest rates. Changes in the interest rate level will have a direct impact on future cash flows and can also affect future investment opportunities. The floating interest rate element of the Group's borrowing is still a smaller portion of the total interest costs.

### Credit risk

The Group is exposed to credit risk primarily related to accounts receivable and other receivables. The Group limits the exposure to credit risk with upfront and mostly bi annual invoicing and can stop services if the clients does not pay outstanding invoices. In times of economic turmoil, customers might face challenges in meeting their obligations towards Kiona. A very limited customer concentration with low dependency on single customers mitigates such risk. Historically, the Group has only had insignificant losses due to credit risk. Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 12.

### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Groups reputation. The Group established an international cash pool with DNB on April 6th, 2022 which requires less operational cash per legal unit.

The table below shows the maturity structure of the Group's financial liabilities

**31.12.2022**

| (All figures in NOK 1 000) | Total | 0-6 months | 6-12 months | 1-2 years | 2-4 years | After 5 years |
|---|---|---|---|---|---|---|
| Debt to financial institutions | 155,913 | | | 155,913 | | |
| Trade payables | 16,093 | 16,093 | | | | |
| Public duties | 18,890 | 18,890 | | | | |
| Other short term liabilities | 76,432 | 76,432 | | | | |
| **Total** | **267,329** | **111,415** | - | **155,913** | - | - |

**31.12.2021**

| (All figures in NOK 1 000) | Total | 0-6 months | 6-12 months | 1-2 years | 2-4 years | After 5 years |
|---|---|---|---|---|---|---|
| Debt to financial institutions | 152,775 | | | | 152,775 | |
| Trade payables | 13,464 | 13,464 | | | | |
| Public duties | 8,953 | 8,953 | | | | |
| Other short term liabilities | 66,971 | 66,971 | | | | |
| **Total** | **242,162** | **89,387** | - | - | **152,775** | - |

# Note 5 Revenues From Contracts With Customer

## Disaggregation of Revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

> Depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date; and

> Enable users to understand the relationship with revenue segment information provided in Note 8

**Disaggregation based on type of customers**

**Revenues based on geographic location of customers**

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Norway | 92,564 | 89,558 |
| Sweden | 90,561 | 73,030 |
| Denmark | 3,389 | 4,024 |
| Other | 32,661 | 12,368 |
| **Total** | **219,175** | **178,980** |

**Revenues by product or service**

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Sale of goods | 44,096 | 34,952 |
| Sale of service | 175,079 | 144,028 |
| **Total** | **219,175** | **178,980** |

**Timing of revenue recognition**

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Point in time | 44,096 | 34,952 |
| Over time | 175,079 | 144,028 |
| **Total** | **219,175** | **178,980** |

## Critical judgements

The Group used the following assessments which have a significant impact on the amount and time of recognition of income from contracts with customers:

## Identification of performance obligation

The contracts with customers includes payments for hardware, setup cost and payment for the ongoing delivery after the hardware and the setup is completed. For revenue recognition purposes the management has to consider if some or all of these components is considered a separate performance obligation under IFRS. The management has concluded that the contract with the customers includes two component that are separate performance obligation under IFRS, the hardware and the ongoing service provided in subsequent periods. The consideration received is allocated between these two performance obligations.

## Note 5 Revenues From Contracts With Customer (cont.)

**Deferred revenue from set-up activities**

The set-up activities are part of what is needed to provide the subsequent services. Invoiced amount for set-up activities are therefor recognised as part of the revenue from subsequent activities. The contracts with customers are entered into for a period of one year, with option for renewals. Contracts has historically been renewed for a significant number of years. Changes on the customers premisses means that the set-up activities will have to be repeated.

Based on the historical churn and the frequency of changes on the customers premises the management has concluded that it is appropriate to recognise the consideration from set-up activities over a period of five years.

**Contract asset - cost relating to set-up activities**

The set up-activities requires a significant number of manhours to be completed. The Group has concluded that the cost associated with these manhours enhances the software controlled buy the Group. Based on this the cost is recognised in the balance sheet as a contract asset.

The contract asset is measured based on the estimated cost of the estimated manhours used to complete the set-up activities. The contract asset is expensed over the same period as the related revenues are recognised.

| **Contract Assets** | **2022** | **2021** |
|---|---|---|
| As of 1 January | 36,173 | 34,725 |
| Additions | 13,381 | 15,015 |
| Reclassifications to accounts receivables | (13,643) | (13,567) |
| **Total contract assets** | **35,911** | **36,173** |

| **Contract Liabilities** | **2022** | **2021** |
|---|---|---|
| As of 1 January | 76,749 | 73,686 |
| Additions | 29,735 | 34,308 |
| Reclassifications to accounts receivables | (30,374) | (31,245) |
| **Total Contract Liabilities** | **76,110** | **76,749** |

### Remaining performance Obligations

Remaining performance obligations as of year end is part of contracts that had an original expected duration of one year or less. According to the contracts with customers the group invoices the customer for set-up cost. The set-up cost are not considered to be a separate performance obligations under IFRS. The consideration received from these activities are allocated to the subsequent service and is recognized together with the fees invoices for performing the services. The consideration for the set-up activities are recognized over a period of 5 years, which is the period the asset/enhanced asset is expected to be used in delivering the subsequent services. These revenues will be recognised in addition to the annual fees invoiced according to existing contract and renewals.

## Note 5 Revenues From Contracts With Customer (cont.)

### Deferred revenue will be recognized in the income statement as follows

| | 2022 | 2021 |
|---|---|---|
| To be recognized as revenue in **2021** | | |
| To be recognized as revenue in **2022** | | 26,890 |
| To be recognized as revenue in **2023** | 28,688 | 21,275 |
| To be recognized as revenue in **2024** | 21,962 | 15,776 |
| To be recognized as revenue in **2025** | 15,512 | 9,426 |
| To be recognized as revenue in **2026** | 8,871 | 3,381 |
| To be recognized as revenue in **2027** | 1,077 | |
| **Total** | **76,110** | **76,749** |

The associated contract assets will be expensed over the same period and similar pattern.

## Note 6 Employee Benefit Expenses

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Salaries | 99,676 | 87,290 |
| Social security expenses | 18,946 | 16,938 |
| Defined contribution pension schemes | 13,008 | 5,864 |
| Fees for external staff | 1,715 | 1,403 |
| Other expenses | (11,881) | (9,204) |
| **Total** | **121,464** | **102,291** |

| | | |
|---|---|---|
| Number of employees at year end | 155 | 144 |
| Average full -time employees during the financial year: | 136 | 133 |

### Key management compensation 2022

| (All figures in NOK 1 000) | Salary | Bonuses | Pension | Other benefits | Total |
|---|---|---|---|---|---|
| CEO | 1,940 | - | 87 | 4 | 2,032 |
| Group management (excluding CEO) | 8,417 | 494 | 691 | 95 | 9,697 |

### Key management compensation 2021

| (All figures in NOK 1 000) | Salary | Bonuses | Pension | Other benefits | Total |
|---|---|---|---|---|---|
| CEO | 1,811 | 2,510 | 79 | - | 4,400 |
| Group management (excluding CEO) | 6,923 | 525 | 306 | - | 7,754 |

### Compensation to board members 2022

| (All figures in NOK 1 000) | | | | | |
|---|---|---|---|---|---|
| Board members | - | - | - | 563 | 563 |

### Compensation to board members 2021

| (All figures in NOK 1 000) | | | | | |
|---|---|---|---|---|---|
| Board members | - | - | - | 716 | 716 |

### Audit fees

**Audit fees to the auditors in the group entities is as follows (excluding VAT)**

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Statutory audit | 2,521 | 793 |
| Other assurance services | 104 | 164 |
| **Total** | **2,625** | **957** |

## Note 7 Finance Income And Expense

### Finance income

| | 2022 | 2021 |
|---|---|---|
| Interest income | 1,125 | 168 |
| Foreign exchange gains | 10,849 | |
| Other finance income | 476 | 937 |
| **Total finance income** | **12,451** | **1,104** |

### Finance expense

| | 2022 | 2021 |
|---|---|---|
| Interest on debts and borrowings | 17,907 | 12,998 |
| Interest from leases | | |
| Foreign exchange losses | 2,930 | |
| Other finance expense | 998 | 491 |
| **Total finance expense** | **21,836** | **13,489** |

## Note 8 Income Tax

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Income tax expense:** | | |
| Current income tax | 2,306 | 719 |
| Correction of previous years current income taxes | 0 | 0 |
| Changes in deferred tax | (7,410) | (8,136) |
| **Total income tax expense** | **(5,104)** | **(7,417)** |

**Temporary differences and tax positions**

| | 2022 | 2021 |
|---|---|---|
| Intangible assets | 64,221 | 77,027 |
| Property plant and equipment | (241) | (536) |
| Lease agreements brought to the balance | (325) | 94 |
| Receivables | (12,086) | (2,473) |
| Profit and loss account | (153) | 897 |
| Provisions | (51,563) | (74,283) |
| Other differences* | 19,259 | 36,196 |
| **Total temporary differences and tax positions** | **19,112** | **36,921** |
| Tax losses carried forward | (82,186) | (60,642) |
| Temporary differences and tax positions not included in the basis for deferred tax | 17,622 | 13,522 |
| Basis for deferred tax | (45,452) | (10,199) |
| **Net deferred tax** | **(10,694)** | **(3,192)** |

| | | |
|---|---|---|
| **Specification in the statement of financial position** | | |
| Deferred tax asset | 23,924 | 3,192 |
| Deferred tax | 13,229 | |
| **Net deferred tax** | **(10,695)** | **3,192** |

| | | |
|---|---|---|
| **Tax payable in the statement of financial position** | | |
| Current income tax payable | 2,306 | 719 |
| Prepaid tax | | (120) |
| **Net tax payable** | **2,306** | **600** |

* Includes non-deductible costs such as representation, gifts and non-taxable income such as capital gains and dividends from associated companies.

## Note 8 Income Tax (cont.)

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Reconciliation of effective tax rate** | | |
| Result before tax | (15,749) | (46,196) |
| **Income tax based on applicable tax rate (22%)** | **(3,465)** | **(10,163)** |
| **Effect from foreign currency and different tax rates** | (43) | 145 |
| Tax effect from result before acquisitions | 0 | (361) |
| Changes in not recognized tax loss carried forward | (254) | 1,168 |
| Not deductible expenses | 1,501 | 1,797 |
| Not taxable income | (2,843) | 0 |
| **Income tax expense** | **(5,104)** | **(7,415)** |
| Effective tax rate | 32.4 % | 16.1 % |
| **Reconciliation of changes in deferred tax** | | |
| Deferred tax 01.01 | 3,192 | 13,962 |
| Changes in deferred tax in income statement | 7,213 | (8,136) |
| Deferred tax from business combinations | 0 | 18,971 |
| Foreign currency effects | 289 | (67) |
| **Deferred tax 31.12** | **(10,694)** | **3,192** |

## Note 9 Intangible Assets

| (All figures in NOK 1 000) | Goodwill | Technology, brand name and customer relations | Development | Total Intangible Assets |
|---|---|---|---|---|
| **Cost as of 31.12.2020** | **-** | **5,751** | **70,157** | **75,908** |
| Additions | | | 17,953 | 17,953 |
| Additions business combinations | 247,007 | 106,453 | | 353,460 |
| Foreign currency effects | (5,137) | (455) | (150) | (5,742) |
| **Cost as of 31.12.2021** | **241,870** | **111,749** | **87,960** | **441,579** |
| Additions | | 586 | 15,973 | 16,559 |
| Prior year corrections | 14,959 | (5,256 ) | - | 9,703 |
| Additions business combinations | - | - | - | - |
| Foreign currency effects | (5,931) | (1,756) | (603) | (8,291) |
| **Cost as of 31.12.2022** | **250,898** | **105,323** | **103,330** | **459,551** |
| | | | | |
| **Accumulated amortisation and impairments as of 31.12.2020** | **-** | **(3,814)** | **(38,876)** | **(42,691)** |
| Amortisation charge | | (11,708) | (13,797) | (25,505) |
| Disposals | | | | - |
| Foreign currency effects | | | | - |
| **Accumulated amortisation and impairments as of 31.12.2021** | **-** | **(15,522)** | **(52,673)** | **(68,195)** |
| Amortisation charge | | (10,978) | (11,000) | (21,978) |
| Disposals | | | | - |
| Prior year corrections | | 667 | 2,829 | 3,496 |
| Foreign currency effects | | | | - |
| **Accumulated amortisation and impairments as of 31.12.2022** | **-** | **(25,834)** | **(60,844)** | **(86,678)** |
| | | | | |
| **Carrying amount as of 31.12.2020** | **-** | **1,937** | **31,281** | **33,217** |
| | | | | |
| **Carrying amount as of 31.12.2021** | **241,870** | **96,227** | **35,287** | **373,384** |
| | | | | |
| **Carrying amount as of 31.12.2022** | **250,898** | **79,489** | **42,485** | **372,873** |
| | | | | |
| Carrying amount of assets with indefinite life | 250,898 | | | 250,898 |

**Amortization Rate**

The Group amortises all intangible asset based on the linear method

**Useful Economic Lift**

| | |
|---|---|
| Development | 5 years |
| Software | 5 years |

## Note 9 Intangible Assets (cont.)

Intangible assets relate to activated development and the purchase of customer relationships. The depreciation period is based on the best estimate for economic life for the assets.

The acquired companies are integrated with the existing operating of the group, thus the goodwill and other intangible assets are allocated to the Kiona CGU for the impairment test.

| (All figures in NOK 1 000) | Goodwill | Intangible Assets | Total |
|---|---|---|---|
| **Intangible assets by segment or CGU As of 31.12.2022** | | | |
| Kiona CGU | 250,898 | 42,485 | 293,384 |
| **Total as of 31.12.22** | **250,898** | **42,485** | **293,384** |

### Impairment Test of Goodwill and Intangible Assets

Goodwill is allocated to the Group's cash flow generating units as shown above. The recoverable amount of the cash-generating units is calculated based on the value of the asset for the business (value of use).

The impairment tests are based budgets for next year with a projection based on long term strategic plans. Management has set budgeted figures for 2023 based on previous performance and expectations for market developments. Growth rates for the period 2023 - 2027 are in accordance with management's long-term plan and are used as projections of budgeted figures for 2023. After 2027, 2% perpetual growth is based on cash flows in the year 2027. The discount rate used is after tax and reflects specific risks to the relevant operating segment/CGU.

### Impairment Test of Kiona CGU

The Kiona CGU includes all activities in the group. Including operations in Norway, Sweden, Denmark and Germany.

### Sensitivity

The following % points changes in key assumption would result in the value in use being equal to the carrying amount.

| | % | |
|---|---|---|
| Change in revenues growth in the initial 5 years period. | 5.6 % | Decrease in % points |
| Changes in EBITDA margin | 13.2 % | Decrease in % points |
| Change in discount rate | 10.0 % | Increase in % points |

Any changes in key assumption that would result in the value in use being equal to the carrying amount is consider to exceed reasonable changes.

## Note 10 Property, Plant, and Equipment

| (All figures in NOK 1 000) | Total Equipment |
|---|---|
| **Cost as of 31.12.2020** | **2,141** |
| Additions | 223 |
| Additions business combinations | 793 |
| Disposals | - |
| Foreign currency effects | - |
| **Cost as of 31.12.2021** | **3,157** |
| Additions | 4,348 |
| Additions business combinations | - |
| Disposals | - |
| Reclass written down assets | (1,686) |
| Foreign currency effects | - |
| **Cost as of 31.12.2022** | **5,819** |
| **Accumulated depreciation and impairments as of 31.12.2020** | **(1,766)** |
| Depreciation | (925) |
| Impairments | - |
| **Accumulated depreciation and impairments as of 31.12.2021** | **(2,691)** |
| Depreciation | (404) |
| Impairments | - |
| Disposals | - |
| Reclass written down assets | 1,686 |
| Foreign currency effects | (6) |
| **Accumulated depreciation and impairments as of 31.12.2022** | **(1,415)** |
| **Carrying amount as of 31.12.2021** | **465** |
| **Carrying amount as of 31.12.2022** | **4,404** |
| Economic life | 3 - 5 year |
| Depreciation method | Linear |

## Note 11 Inventories

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Inventories at Cost** | | |
| Purchased finished goods | 9,494 | 7,255 |
| **Total** | **9,494** | **7,255** |

## Note 12 Trade And Other Receivables

### Trade receivables

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Trade receivables at face value as of 31.12 | 35,202 | 31,823 |
| Less: Provision for impairment of trade receivables | (130) | |
| **Net trade receivables** | **35,072** | **31,823** |

| | 2022 | 2021 |
|---|---|---|
| Receivables written off during the years | 0 | 0 |
| Collected on receivables written of in prior periods | 0 | 0 |
| Changes in provision during the year | 130 | 0 |
| **Impairment loss during the year** | **130** | **0** |

There is calculated an expected loss provision for trade receivables of 130 in 2022 and 0 in 2021.

## Note 13 Cash And Cash Equivalents

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Bank deposits** | **41,485** | **41,160** |

### Restricted funds

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Withholding tax account** | **2,871** | **3,068** |

## Note 14 Share Capital And Shareholders

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Share capital | 666 | 660 |
| Share premium | 263,654 | 256,113 |
| **Total paid in capital** | **264,321** | **256,773** |

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Dividends paid** | **0** | **10,441** |

| Shareholders holding 1% or more of the share capital: | No. of shares | % of total |
|---|---|---|
| Egain Group AB | 1,499,414 | 31.4 % |
| Byggteknikk Drift AS | 1,437,151 | 30.1 % |
| Summa Energy Investments AB | 313,859 | 6.6 % |
| Pivot Invest 1 AS | 291,641 | 6.1 % |
| Bjørnnes AS | 261,919 | 5.5 % |
| Stangvik AS | 195,886 | 4.1 % |
| Jonicore AB | 157,347 | 3.3 % |
| Magnus Magnus AS | 94,967 | 2.0 % |
| Nyvoll Invest AS | 92,515 | 1.9 % |
| X3M Design AB | 56,650 | 1.2 % |
| Hiwi AB | 55,780 | 1.2 % |
| Marine AS | 52,760 | 1.1 % |
| **Total** | **4,509,889** | **94.4 %** |
| Others | 267,182 | 5.6 % |
| **Total shares** | **4,777,071** | **100.0 %** |

As of 31 December 2022, the parent company's share capital comprimised:

| | |
|---|---|
| Nominal value per share | 0.1395 |
| Total number of shares | 4,777,071 |
| Share capital in NOK 1 000 | 666 |

## Note 14 Share Capital And Shareholders (cont.)

**Shares owned by members of the board and directors**

| Name | Title | Shares | Shareholding |
|---|---|---|---|
| Trond-Øystein Bjørnnes * | CEO | | |
| Kent Zehetner ** | Chair | | |
| Magnus Bang Svendsen *** | Board member | | |
| Leif Mikael Anjou | Board member | 200 | 0.004% |
| Guro Solem | Board member | 200 | 0.004% |
| Morten Lund | Board member | 205 | 0.004% |

* Trond-Øystein Bjørnnes owns indirectly through Bjørnnes AS. Bjørnnes owns 51 % of Bjørnnes AS.

** Kent Zehetner owns indirectly through Pivot Invest 1 AS and Pivot Invest 2 AS. Zehetner owns ~ 42% of Pivot Invest 1 AS, and 50 % of Pivot Invest 2 AS.

*** Magnus Bang Svendsen owns 100% of Magnus Magnus AS, and is CEO of Byggteknikk Drift AS.

## Note 15 Non Current Liabilities

### Non current liabilities

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Loans and borrowings | 155,913 | 152,775 |
| Lease liabilities | 14,945 | 19,119 |
| Other non-current liabilities | 1,540 | 1,490 |
| Deferred tax liabilities | 13,230 | 0 |
| **Total long term debt** | **185,628** | **173,384** |

### Bond loan (Loans and borrowings 2022)

| Duration | SEK million | Current interest - As of Dec 31, 2022 | Interest terms | Final maturity | In compliance with covenants? |
|---|---|---|---|---|---|
| 2021 - 2024 | Up to 500 | 12% | STIBOR at Quotation Day + 9,50% (Cash Interest + PIK Interest) | 16 Dec 2024 | Yes |

### Key terms:

Up to SEK 500,000,000 senior secured floating rate notes. Nominal Amount of the Initial Notes were SEK 107,000,000. The Issuer may, on one or several occasions, issue Subsequent Notes until the total aggregate amount of under such Subsequent Notes Issue(s) together with the Initial Issue equals a Total Nominal Amount of SEK 500,000,000, in addition PIK interests is aggregated to the bond each quarter.

### Call option:

Voluntary total redemption of bond at (I) any time prior to the First Call Date (20 March 2023) at an amount equal to 100 per cent of the Total Nominal Amount of the Notes, (II) any time from First Call Date and first Business day after 19 March 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,875 per cent of the Total Nominal Amount of the Notes, and (III) any time from the first Business Day after 19 March 2024 and 16 Dec 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,875 per cent of Total Nominal Amount of the Notes.

### Put option:

Upon a change of control (I) prior to the First Call Date (20 March 2023), exercisable at 100 per cent of the Nominal Amount, (II) any time from First Call Date and first Business day after 19 March 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,875 per cent of he Total Nominal Amount of the Notes, and (III) any time from the first Business Day after 19 March 2024 and 16 Dec 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,875 per cent of Total Nominal Amount of the Notes.

### Guarantors and Security:

Kiona Holding AS, Kiona AS, Kiona Sweden AB and Kiona Oy; and at any time after the date of Terms and Conditions, a Group Company which becomes a Material Company.

## Note 15 Non Current Liabilities (cont.)

### General undertakings (covenants):

Customary general undertakings applicable to the Issuer and all its direct and indirect subsidiaries, including limitations on distributions, compliance with laws, continuation of business, limitations on investments, certain financial support restrictions, certain limitations to the Parent and dealings with related parties.

### CSD related undertakings:

The Issuer shall keep the Notes registered in the CSD and comply with all applicable CSD Regulations.

### Financial covenants:

The Issuer must ensure compliance with the following financial covenants (maintenance covenants), measure on the group as a whole:

> ARR Leverage: ARR Leverage in respect of any relevant period shall not exceed the ratio for the relevant period (respectively from 1.50:1 to 1,01:1). In the event a Permitted Acquisition takes place the ratios set out above shall be amended based on an updated agreed base case (to include the acquired entity) with a headroom of 25 per cent provided that the ratio shall not, at any time, be in excess of 1.50:1

> Minimum Liquidity: aggregate Cash held by Group Companies, together with undrawn commitments under the Working Capital Facility to a maximum of NOK 5,000,000, is not in aggregate, at any time, less than NOK 20,000,000

> Minimum EBITDAC: Pro Forma EBITDAC in relation to the Group (other than Egain International AB and its Subsidiaries), in respect of any Relevant Period, is not less than NOK 6,000,000

> Leverage: Leverage in respect of any relevant period from September 2023 shall not exceed the ratio for the relevant period (respectively from 6.00:1 to 4.375:1)

## Note 16 Leases

### Right of use asset

The Group's leased assets include offices, vehicles, and other real estate. The Group's right of use assets are categorized and presented in the table below:

**Right of use assets**

| (All figures in NOK 1 000) | Vehicle | Land and buildings | Total |
|---|---|---|---|
| **At 1 January 2021** | **626** | **3,386** | **4,012** |
| Additions | 3,029 | 23,520 | 26,550 |
| Disposals | | | 0 |
| Amortisation | (1,459) | (3,626) | (5,085) |
| Foreign currency effects | 35 | 367 | 401 |
| **At 31 December 2021** | **2,231** | **23,647** | **25,878** |
| | | | |
| **At 1 January 2022** | **2,231** | **23,647** | **25,878** |
| Additions | 618 | 2,023 | 2,641 |
| Disposals | - | | 0 |
| Amortisation | (1,473) | (4,378) | (5,851) |
| Foreign currency effects | (74) | (848) | (922) |
| **At 31 December 2022** | **1,302** | **20,445** | **21,746** |
| | | | |
| Economic life/lease term | 1-3 years | 1-10 years | |
| Amortisation method | Straight line | Straight line | |

**Lease liabilities**

| **Undiscounted lease payments and year of Payment** | **2022** | **2021** |
|---|---|---|
| Less than 1 year | 6,115 | 6,006 |
| 1-2 years | 4,802 | 5,111 |
| 2-3 years | 3,695 | 4,021 |
| 3-4 years | 2,282 | 3,280 |
| 4-5 years | 2,198 | 2,066 |
| More than 5 years | 8,326 | 9,882 |
| **Total undiscounted lease payments** | **27,418** | **30,366** |

## Note 16 Leases (cont.)

| Changes in lease liabilities | Vehicle | Land and buildings | Total |
|---|---|---|---|
| **At 1 January 2021** | **630** | **3,456** | **4,085** |
| Additions | 3,029 | 23,951 | 26,980 |
| Interest expenses | 43 | 420 | 463 |
| Lease payments | (1,458) | (3,871) | (5,329) |
| Foreign currency effects | (44) | (211) | (254) |
| **At 31 December 2021** | **2,200** | **23,745** | **25,946** |
| | | | |
| **At 1 January 2022** | **2,200** | **23,745** | **25,946** |
| Additions | 618 | 2,015 | 2,633 |
| Interest expenses | 29 | 974 | 1,003 |
| Lease payments | (1,503) | (5,272) | (6,775) |
| Foreign currency effects | (28) | (706) | (734) |
| **At 31 December 2022** | **1,316** | **20,756** | **22,073** |

| | 2022 | 2021 |
|---|---|---|
| Current lease liabilities | 7,127 | 6,827 |
| Non-current lease liabilities | 14,945 | 19,119 |

### Cash flows lease liabilities

| | | |
|---|---|---|
| Cash flows lease liabilities | (3,139) | (3,467) |

The lease contracts do not include any restrictions with regards to the Group's dividend policy or financing opportunities.

### Lease payment expensed

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Expensed lease payment for short-term leases and low value leases | 111 | 90 |
| Variable lease payments | | |
| **Total cash flows leases** | **(3,028)** | **(3,377)** |

## Note 17 Notes Supporting The Cash Flows

Transactions without cash flow effects from financing activities are presented in the reconciliation of the movement in financial liabilities in the subsequent tables.

| (All figures in NOK 1 000) | Non-current loans and borrowings | Non-current Lease liabilities | Current loans and borrowings | Current Lease liabilities | Other non-current financial liabilities | Total |
|---|---|---|---|---|---|---|
| **At 1 January 2022** | **154,265** | **19,119** | | **6,827** | | **180,211** |
| **Cash flows** | | | | | | |
| Down payment of loans | | | | | | - |
| New loans | | | | | | - |
| Lease payments | | (5,772) | | | | (5,772) |
| **Non-cash flows** | | | | | | - |
| Changes from business combinations | | - | | | | - |
| New lease agreement | | 2,633 | | | | 2,633 |
| Loans and borrowings classified as non-current at 31 December **2022** | 3,188 | | | | | 3,188 |
| Loans and borrowings classified as current at 31 December **2022** | | (300) | | 300 | | 0 |
| Currency translation effect | - | (734) | | | | (734) |
| **At 31 December 2022** | **157,453** | **14,945** | **-** | **7,127** | **-** | **179,526** |

| (All figures in NOK 1 000) | Non-current loans and borrowings | Non-current Lease liabilities | Current loans and borrowings | Current Lease liabilities | Other non-current financial liabilities | Total |
|---|---|---|---|---|---|---|
| **At 1 January 2021** | **3,571** | **1,967** | | **2,118** | | **7,656** |
| **Cash flows** | | | | | | |
| Down payment of loans | (2,291) | | | | | (2,291) |
| New loans | 152,775 | | | | | 152,775 |
| Lease payments | | (4,866) | | | | (4,866) |
| **Non-cash flows** | | | | | | |
| - Changes from business combinations | 209 | 25,582 | | | | 25,791 |
| - New lease agreement | | 1,399 | | | | 1,399 |
| - Loans and borrowings classified as current at 31 December **2021** | | (4,709) | | 4,709 | | - |
| - Currency translation effect | | (254) | | | | (254) |
| **At 31 December 2021** | **154,265** | **19,119** | **-** | **6,827** | **-** | **180,211** |

## Note 18 Related Party Transactions

### 2022

(All figures in NOK 1 000)

| Related party | Company | Description | Relation | Amounts owed to related parties | Amount owed by related parties |
|---|---|---|---|---|---|
| Pivot Invest AS | Kiona Holding AS | Consultancy | Shareholder | 2,885 | 0 |
| Pivot Invest AS | Kiona AS | Consultancy | Shareholder | 4,862 | 0 |
| Byggteknikk Prosjekt AS | Kiona AS | Rent | Shareholder | 3,612 | 0 |
| **Total** | | | | **11,360** | **0** |

### 2021

(All figures in NOK 1 000)

| Related party | Company | Description | Relation | Amounts owed to related parties | Amount owed by related parties |
|---|---|---|---|---|---|
| Egain Group AB | Kiona Holding AS | Consultancy | Shareholder | 4,520 | 0 |
| Pivot Invest AS | Kiona Holding AS | Consultancy | Shareholder | 217 | 0 |
| Towering Cumulus AS | Kiona AS | Consultancy | Shareholder | 20 | 0 |
| Pivot Invest AS | Kiona AS | Consultancy | Shareholder | 8,436 | 0 |
| Byggteknikk Prosjekt AS | Kiona AS | Rent | Shareholder | 2,694 | 0 |
| Egain Group AB | Egain International AB | Consultancy | Shareholder | 622 | 0 |
| **Total** | | | | **16,510** | **0** |

## Note 19 Consolidated Companies

The following companies are included in the consolidated financial statement for 2022

**Parent Company** Kiona Holding AS

| Subsidiaries | Subgroup | Country of incorporation | Proportion of ownership |
|---|---|---|---|
| Kiona AS (formerly IWMAC AS) * | Kiona | Norway | 100.0 % |
| Kiona Sweden AB (formerly Iwmac AB) ** | Kiona | Sweden | 100.0 % |
| Kiona A/S (formerly Egain Denmark AS) | Kiona | Denmark | 100.0 % |
| Kiona GmbH (formerly Egain Energiedienstleistungen GmbH) | Kiona | Germany | 100.0 % |
| Kiona Sp Zoo (formerly Egain Polska Sp Zoo) | Kiona | Poland | 100.0 % |
| Kiona Oy (formerly Egain Finland OY) | Kiona | Finland | 100.0 % |
| Kiona Sàrl (formerly Alpha Eco) | Kiona | Switzerland | 100.0 % |
| Cebyc GmbH *** | Kiona | Germany | 100.0 % |
| Kiona LT UAB | Kiona | Lithuania | 100.0 % |

* Includes merged entities: Socius Management AS and Cebyc AS

** Includes merged entities: Egain International AB, Egain Sweden AB and Moldeo AB

*** Cebyc GmbH was merged into Kiona GmbH during first half of 2023

## Note 19 Consolidated Companies (cont.)

### Business combinations

#### Acquisition of Egain AB

On March 12, 2021, the Group acquired 100% of the shares in Egain Group, a company whose principal activity is providing products and services similar and complementary to those already provided by the Group. The principal reason for this acquisition was to increase the spectre of product and services provided by the group and to gain a position in additional markets. The group also expects to use the expertise and knowhow acquired in the development of new products.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows (note that fair value was not used as the measurement basis for assets and liabilities that require a different basis, which includes leases, contingent liabilities, income taxes and defined benefit pension plans):

| (All figures in NOK 1 000 at **31.12.2021** FX rates) | **Book Value** | **Adjustment** | **Fair value** |
|---|---|---|---|
| Deferred tax asset | 1,447 | | 1,447 |
| Goodwill | 26,903 | (26,903) | - |
| Other intangible assets | 13,548 | (7,055) | 6,493 |
| Brand name | - | 5,830 | 5,830 |
| Technology | - | 13,454 | 13,454 |
| Customer relationships | - | 17,042 | 17,042 |
| Property, plant and equipment | 668 | - | 668 |
| Non-current financial assets | 1,564 | (1,564) | - |
| Current assets excluding cash | 15,975 | | 15,975 |
| Cash | 36,286 | | 36,286 |
| Deferred tax | - | (4,786) | (4,786) |
| Loans and borrowings | - | - | - |
| Lease liabilities | - | - | - |
| Other non-current liabilities | - | - | - |
| Current liabilities | (28,760) | 360 | (28,399) |
| **Total net assets** | **67,632** | **(10,172 )** | **57,459** |
| | | | |
| **Fair value of consideration paid** | | | **176,563** |
| | | | |
| **Goodwill** | | | **112,553** |

The main factors leading to the recognition of goodwill are:

> The presence of certain intangible assets, such as the assembled workforce of the acquired entity, which do not qualify for separate recognition

The goodwill recognized will not be deductible for tax purposes.

# Note 19 Consolidated Companies (cont.)

## Acquisition of Cebyc Group

On March 19, 2021, the Group acquired 100% of the shares in Cebyc Group, a company whose principal activity is providing products and services similar and complementary to those already provided by the Group. The principal reason for this acquisition was to increase the specter of product and services provided by the group and to gain a position in additional markets. The group also expects to use the expertise and knowhow acquired in the development of new products.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows (note that fair value was not used as the measurement basis for assets and liabilities that require a different basis, which includes leases, contingent liabilities, income taxes and defined benefit pension plans):

| (All figures in NOK 1 000) | **Book Value** | **Adjustment** | **Fair value** |
|---|---|---|---|
| Deferred tax asset | 10 | - | 10 |
| Brand name | - | 2,280 | 2,280 |
| Technology | - | 4,523 | 4,523 |
| Customer relationships | - | 26,259 | 26,259 |
| Property, plant and equipment | 85 | - | 85 |
| Non-current financial assets | - | - | - |
| Current assets excluding cash | 4,236 | - | 4,236 |
| Cash | 9,920 | - | 9,920 |
| Deferred tax | - | (7,907) | (7,907) |
| Other non-current liabilities | - | 2,841 | 2,841 |
| Current liabilities | (14,147) | - | (14,147) |
| **Total net assets** | **104.176** | **27,995** | **28,100** |
| | | | |
| **Fair value of consideration paid** | | | **87,000** |
| | | | |
| **Goodwill** | | | **58,900** |

The main factors leading to the recognition of goodwill are:

> The presence of certain intangible assets, such as the assembled workforce of the acquired entity, which do not qualify for separate recognition

The goodwill recognized will not be deductible for tax purposes.

## Note 19 Consolidated Companies (cont.)

### Acquisition of Moldeo

On April 30, 2021, the Group acquired 100% of the shares in Moldeo, a company whose principal activity is providing products and services similar and complementary to those already provided by the Group. The principal reason for this acquisition was to increase the specter of product and services provided by the group and to gain a position in additional markets. The group also expects to use the expertise and knowhow acquired in the development of new products.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows (note that fair value was not used as the measurement basis for assets and liabilities that require a different basis, which includes leases, contingent liabilities, income taxes and defined benefit pension plans):

| (All figures in NOK 1 000) | Book Value | Adjustment | Fair value |
|---|---|---|---|
| Goodwill | - | | - |
| Brand name | - | 2,600 | 2,600 |
| Technology | - | 4,288 | 4,288 |
| Customer relationships | - | 19,242 | 19,242 |
| Current assets excluding cash | 2,917 | - | 2,917 |
| Cash | 8,116 | - | 8,116 |
| Deferred tax | - | (5,383) | (5,383) |
| Current liabilities | (3,659) | - | (3,659) |
| **Total net assets** | **7,374.19** | **20,747** | **28,121** |
| | | | |
| **Fair value of consideration paid** | | | **87,500** |
| | | | |
| **Goodwill** | | | **59,379** |

The main factors leading to the recognition of goodwill are:

> The presence of certain intangible assets, such as the assembled workforce of the acquired entity, which do not qualify for separate recognition

The goodwill recognized will not be deductible for tax purposes.

### Minor acquisitions

In addition the acquisitions listed above the Group acquired Alpha Eco for a consideration of TNOK 16 900. A goodwill amount of tNOK 9 100 and customer relationship of tNOK 9 000 was recognised based on this business combination. Due to changes in value of customer relationships, the PPA was updated and values reallocated from customer relationships to goodwill.

## Note 20 Events After The Reporting Date

The merger of the companies in Germany, Kiona GmbH and Cebyc GmbH was approved by German authorites in March 2023 and the legal entity in the UK Kiona EMS ltd was dissolved in March 2023. No other material events have occured after the reporting date.

# Appendix

## Alternative Performance Measures

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

### For the year ended 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Continuing Operations** | | | |
| Recurring revenues from contract with customers | 5 | 175,079 | 144,028 |
| Other revenues from contracts with customers | 5 | 44,096 | 34,952 |
| Other operating income | | | 329 |
| **Total Operating income** | | **219,175** | **179,309** |
| | | | |
| **Operating Expenses** | | | |
| Cost of goods sold | | 27,240 | 21,431 |
| Personnel expenses | | 106,463 | 102,291 |
| Other operating expenses | | 36,690 | 29,675 |
| **Total Expenses** | | **170,393** | **153,399** |
| **EBITDA adjusted** | | **48,782** | **25,910** |
| One-time expenses | | 11,912 | 28,207 |
| Transformation costs | | 15,000 | - |
| **EBITDA** | | **21,870** | **(2,297)** |
| Depreciation and amortisation expense | 9, 10,16 | 28,233 | 31,515 |
| **EBIT** | | **(6,363)** | **(33,811)** |
| | | | |
| **Finance Income and Expense** | | | |
| Finance income | | 12,451 | 1,104 |
| Finance expense | | 21,836 | 13,489 |
| **Net finance income and expense** | | **(9,385)** | **(12,385)** |
| | | | |
| **Profit before tax** | | **(15,748)** | **(46,196)** |
| Tax expense | | (5,104) | (7,417) |
| **Profit** | | **(10,644)** | **(38,779)** |
| | | | |
| **Other comprehensive income** | | | |
| Items that will or may be reclassified to profit or loss: | | | |
| Exchange gains arising on translation of foreign operations | | (11,531) | (4,590) |
| **Total comprehensive income** | | **(22,175)** | **(43,369)** |
| | | | |
| **Total comprehensive income attributable to:** | | | |
| Owners of the parent | | (22,175) | (43,369) |

# 06 →

# Financial Statements

## Kiona Holding AS

## Statement of Profit or Loss

### For the year ended 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Continuing operations** | | | |
| Other operating income | 5 | 40,833 | 19,271 |
| **Total Operating income** | **5** | **40,833** | **19,271** |
| **Operating expenses** | | | |
| Employee benefit expenses | 6 | 2,469 | 716 |
| Other operating expenses | 7 | 33,808 | 43,212 |
| **Operating profit before depreciation and amortisations (EBITDA)** | | **4,556** | **(24,657)** |
| Depreciation and amortisation expense | 10 | 15,323 | 10,297 |
| **Operating profit** | | **(10,767)** | **(34,954)** |
| **Finance income and expense** | | | |
| Finance income | 8 | 3,236 | 799 |
| Finance expense | 8 | 19,540 | 11,816 |
| **Net finance income and expense** | | **(16,304)** | **(11,017)** |
| **Profit before tax** | | **(27,071)** | **(45,971)** |
| Tax expense | 9 | (5,957) | (8,378) |
| **Profit** | | **(21,114)** | **(37,593)** |
| **Other comprehensive income** | | | |
| Items that will or may be reclassified to profit or loss: | | | |
| Exchange gains arising on translation of foreign operations | | | |
| **Total Comprehensive Income** | | **(21,114)** | **(37,593)** |

## Statement of Financial Position

### As of 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Deferred tax asset | 9 | 13,722 | 7,765 |
| Capitalized R&D | 10 | 42,486 | 34,683 |
| IP rights | 10 | 13,689 | 18,048 |
| Property, plant and equipment | 11 | 1,317 | 0 |
| Investments in subsidiaries | 4.12 | 391,703 | 391,703 |
| Loans to group companies | 12 | 16,686 | 0 |
| **Total non-current assets** | | **479,602** | **452,200** |
| **Current assets** | | | |
| Other short term receivables | 4, 13 | 728 | 116 |
| Receivables from group companies | 12 | 38,078 | 33,583 |
| Cash and cash equivalents | 4, 14 | 3,963 | 168 |
| **Total current assets** | | **42,769** | **33,867** |
| **Total assets** | | **522,371** | **486,067** |

## Statement of Financial Position (cont.)

### As of 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Equity and liabilities** | | | |
| **Equity** | | | |
| **Issued capital and reserves attributable to owners of the parent** | | | |
| Share capital | 15 | 666 | 660 |
| Share premium reserve | 15 | 263,654 | 256,113 |
| Other equity | 15 | (50,246) | (29,132) |
| **Total equity** | | **214,075** | **227,641** |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| Liabilities to financial institutions | | 0 | 0 |
| Liabilities to group companies | 4, 12 | 228,919 | 145,430 |
| **Total non-current liabilities** | | **228,919** | **145,430** |
| **Current liabilities** | | | |
| Trade payables | 4 | 1,052 | 232 |
| Current liabilities to group companies | 4, 12 | 53,201 | 110,963 |
| Dividends | 15 | 0 | 0 |
| Other current liabilities | | 25,124 | 1,801 |
| **Total Current Liabilities** | | **79,377** | **112,995** |
| **Total Liabilities** | | **308,296** | **258,426** |
| **Total equity and liabilities** | | **522,371** | **486,067** |

Trondheim, June 12, 2023 | Signed Electronically,

Trond Øystein Bjørnnes
**CEO**

Kent Zehetner
**Chair**

Leif Mikael Anjou
**Director**

Magnus Bang Svendsen
**Director**

Gisle Glück Evensen
**Director**

Guro Solem
**Director**

Morten Lund
**Director**

## Statement of Changes in Equity

| (All figures in NOK 1 000) | Note | Share capital | Share premium | Foreign exchange reserve | Other Equity | Total Equity |
|---|---|---|---|---|---|---|
| **1 January 2021** | | **401** | **35,272** | | **8,461** | **44,135** |
| Profit from continuing operations | | | | | (37,593) | (37,593) |
| Other comprehensive Income | | | | | | 0 |
| **Total comprehensive Income for the year** | | **-** | **-** | | **(37,593)** | **(37,593)** |
| Dividends | | 258 | 220,841 | | | 221,099 |
| Capital increase | | | | | | 0 |
| **Contributions by and distributions to owners** | | **258** | **220,841** | | **-** | **221,099** |
| | | | | | | |
| **31 December 2021** | | **660** | **256,113** | | **(29,132)** | **227,641** |
| Profit from continuing operations | | | | | (21,114) | (21,114) |
| Other comprehensive Income | | | | | | 0 |
| **Total Comprehensive Income for the year** | | **-** | **-** | **-** | **(21,114)** | **(21,114)** |
| Dividends | | | | | | 0 |
| Capital increase | | 7 | 7,541 | | | 7,548 |
| **Contributions by and distributions to owners** | | **7** | **7,541** | **-** | **-** | **7,548** |
| | | | | | | |
| **31 December 2022** | | **666** | **263,654** | | **(50,246)** | **214,075** |

## Statement of Cash Flows

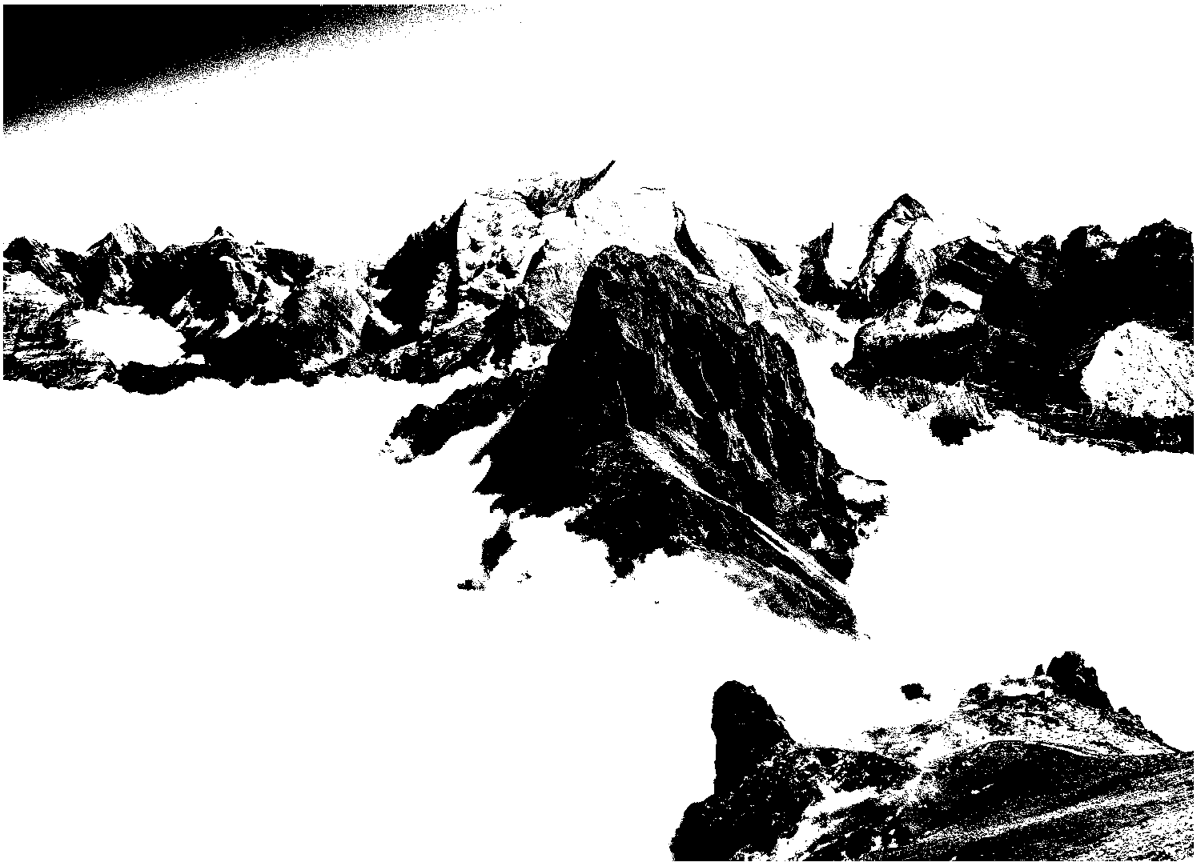
### For the year ended 31 December 2022

| (All figures in NOK 1 000) | Note | 2022 | 2021 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit for the year | | (21,114) | (37,593) |
| **Adjusted for** | | | |
| Depreciation and amortisation expense | 10 | 15,323 | 10,297 |
| Finance income | 8 | (3,236) | |
| Finance expense | 8 | 19,540 | 11,595 |
| Income tax expense | 9 | (5,957) | (8,378) |
| Increase in trade and other payables | | 208 | 232 |
| Change in other accrual items | | 20,842 | 1,612 |
| **Cash Generated from Operations** | | **46,720** | **15,358** |
| Income tax paid | 9 | 0 | 0 |
| **Net Cash Flows from Operating Activities** | | **25,606** | **(22,235)** |
| **Investing activities** | | | |
| Acquisition of subsidiary, net of cash acquired | | 0 | (166,106) |
| Purchases of property, plant and equipment | 10, 11 | (17,350) | (32,074) |
| Changes in intercompany receivables | | (21,181) | 39,097 |
| **Net Cash Used in Investing Activities** | | **(38,531)** | **(159,083)** |
| **Financing activities** | | | |
| Changes in non-current intercompany payables | | 83,488 | 137,302 |
| Changes in current intercompany payables | | (57,762) | 69,853 |
| Repayment of long-term liabilities | | 0 | (3,571) |
| Proceeds from equity | 15 | 7,548 | 0 |
| Interest paid on loans and borrowings | 8 | (17,096) | (11,595) |
| Interest received | 8 | 542 | 0 |
| Corporate contribution paid | | 0 | (260) |
| Dividends paid to the holders of the parent | | 0 | (10,441) |
| **Net cash (used in)/from financing activities** | | **16,720** | **181,288** |
| **Net increase in cash and cash equivalents** | | **3,795** | **(31)** |
| **Cash and cash equivalents at beginning of year** | | **168** | **199** |
| **Cash and cash equivalents at end of year** | | **3,963** | **168** |

# 07 →

# Notes to the Financial Statement

## Kiona Holding AS



## Note 1 General Information

Kiona Holding AS (formerly Kiona AS) is the parent company in the Kiona Group, the subsidiaries are technology companies providing services for monitoring the performance of technical installations, with the purpose of saving energy and avoiding product losses.

Kiona Holding AS is a limited liability company registered in Norway. The head office of the company is located in Leirfossvegen 27, Trondheim, Norway.

This year's financial statements were approved for issue by the Board of Directors on 12 June 2023.

## Note 2 Critical Accounting Estimates and Judgements

The preparation of financial statements requires management to make some assessments, calculate estimates and set assumptions that affect the amounts reported in the financial statements and in the corresponding notes. Management bases its estimates and assessments on historical experience, as well as a number of other factors considered relevant in the situation. This in turn forms the basis for the assessments made related to the carrying amount of assets and liabilities where this is not obviously available from other sources.

## Note 3.1 Accounting Policies

### General

#### Basis for Preparation

The statutory annual financial statements are prepared in accordance with the Norwegian Accounting Act of 1998 (NAA). The company has chosen to apply "simplified IFRS" in the annual accounts. This implies mainly that the company applies recognition criteria according to International Financial Reporting Standards as adopted by the EU, but where note disclosures are in accordance with the NAA and NGAAP.

The financial statements for 2021 were the first financial statements prepared in accordance with "simplified IFRS".

The company has applied the following simplifications as compared to the recognition and assessment criteria according to full IFRS:

Dividend and group contribution are recognized in accordance with NGAAP. Meaning that proposed dividends are recognized as liabilities in the year they relates to.

### Functional currency and Presentation Currency

The Company's presentation currency is NOK. This is also the functional currency.

### Foreign currency

Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Monetary items in foreign currency are converted into NOK using the balance sheet date's exchange rate. Non-monetary items measured at historical exchange rates expressed in foreign currency are converted into NOK using the exchange rate at the time of the transaction. Gains and losses from exchange rate changes are recognized in the income statement on an ongoing basis during the accounting period.

Currency gains and losses related to purchase of inventory are classified as cost of goods. This consists mainly of accounts payable in foreign currency.

Assets and liabilities in foreign operations are converted into NOK using the balance sheet date's currency rate. Revenues and expenses in foreign operations converted into NOK using average prices. The translation difference because of the conversion of

## Note 3.1 Accounting Policies (cont.)

foreign operations are recognize in other comprehensive income. Accumulated translation differences in equity are recircled into profit and loss upon divestment of foreign operations.

### Revenues

Revenues are services provided to Group Companies, recognized in the income statement when the services is delivered.

### Classification of balance sheet items

Current assets and current liabilities include items due for payment within a year after the balance sheet date, as well as items that relate to the operating cycle. Other items are classified as fixed asset/long-term liabilities. Receivables from deferred payment are considered as being part of the operating cycle, and consequently classified as a current asset.

### Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

#### Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognized in profit or loss. On confirmation that the trade receivable will not be collectible, the gross carrying value of the asset is written off against the associated provision.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

#### Investments in subsidiaries

Subsidiaries classified as non-current assets are recognized in accordance with the cost method. Subsidiaries are companies in which Kiona Holding AS has a controlling influence as a result of legal or de facto control. A controlling interest is, in principle, deemed to exist when more than 50 per cent og the voting capital is owned either directly or indirectly.

Dividend and other distributions are recognized as other financial income. If dividends exceed the share of profit and loss withheld after acquisition, the surplus amount represents a repayment of invested capital, and the distributions are deducted from the value of the investment in the balance sheet.

## Note 3.1 Accounting Policies (cont.)

#### Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. Other than financial liabilities in a qualifying hedging relationship (see below), the Group's accounting policy for each category is as follows:

#### Fair value through profit or loss

This category comprises out-of-the-money derivatives where the time value does not offset the negative intrinsic value (see "Financial assets" for in-the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognized in the consolidated statement of comprehensive income. The Group does not hold or issue derivative instruments for speculative purpose but for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

#### Other financial liabilities

Other financial liabilities include the following items:

Bank borrowings and the Group's redeemable preference shares are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

> Liability components of convertible loan notes are measured as described further below.

> Trade payables and other short-term monetary liabilities, which are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method.

### Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Weighted average cost is used to determine the cost of ordinarily interchangeable items.

### Intangible assets

Intangible assets are initially recognized at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs.

Development, patents and licenses are depreciated in order to write off the carrying value over the expected period of use

### Impairment of non-financial assets (excluding inventories and deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units (' Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill. Impairment charges are included in profit or loss, except to the extent

## Note 3.1 Accounting Policies (cont.)

they reverse gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill is not reversed.

### Taxes

The tax expense in the income statement includes both current tax payable and changes in deferred tax/deferred tax assets.

Current tax constitutes the expected tax payable on the year's taxable result at the applicable tax rates on the balance sheet date and any corrections of tax payable for previous years.

Tax payable and deferred tax/deferred tax assets are calculated at the tax rate applicable in Norway.

Deferred tax/deferred tax assets are calculated on the basis of the temporary differences that exist between accounting and tax bases of assets and liabilities, as well as tax losses carried forward at year end. Net deferred tax assets are recognized to the extent that there is convincing evidence that there will be taxable income available to utilize the deferred tax asset.

### Cash flow statement

The cash flow statement has been prepared according to the indirect method.

### Events after the balance sheet date

New information about the company's position on the balance sheet date is included in the financial statements. Events that occur after the balance sheet date that do not affect the company's position on the balance sheet date, but which affect the company's future position are reported if it is of significance.

## Note 3.2 Changes In Accounting Policies

### New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. None of these are expected to have significant effect on the financial statements of the Company.

## Note 4 Financial Instruments - Risk Management

The Group is exposed through its operations to the following financial risks:

> Credit risk

> Interest rate risk

> Foreign exchange risk, and

> Liquidity risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

### Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

> Trade receivables

> Cash and cash equivalents

> Trade and Other payables

> Bank overdrafts

> Floating-rate loans

> Fixed rate loans

## Note 4 Financial Instruments - Risk Management (cont.)

### Financial Instruments Based On Category

### 31.12.2022

| (All figures in NOK 1 000) | Financial assets at fair value | Financial asset at amortized cost | Financial liabilities at fair value | Financial liabilities at amortized cost | Total |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investment in subsidiaries | | 391,703 | | | |
| Loan to Group Companies | | 16,686 | | | |
| Receivables from Group Companies | | 38,078 | | | |
| Current receivables from Group Companies | | | | | |
| Other short term receivables | | 728 | | | |
| Cash | | 3,963 | | | |
| **Liabilities** | | | | | |
| Non current liabilities to Group Companies | | | | 228,919 | |
| Current liabilities to Group Companies | | | | 49,452 | |
| Trade payables to Group Companies | | | | 3,749 | |
| Other current liabilities | | | | 25,124 | |
| Trade payable, public duties payable and other current liabilities | | | | 1,052 | |
| **Net financial assets and liabilities at 31 december 2022** | **-** | **451,158** | **-** | **308,296** | **142,862** |

## Note 4 Financial Instruments - Risk Management (cont.)

**31.12.2021**

| (All figures in NOK 1 000) | Financial assets at fair value | Financial asset at amortized cost | Financial liabilities at fair value | Financial liabilities at amortized cost | |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investment in subsidiaries | | 391,703 | | | |
| Loan to Group Companies | | | | | |
| Receivables from Group Companies | | 33,583 | | | |
| Current receivables from Group Companies | | | | | |
| Other short term receivables | | 116 | | | |
| Cash | | 168 | | | |
| **Liabilities** | | | | | |
| Debt to financial institutions | | | | 145,430 | |
| Non current liabilities to Group Companies | | | | 6,175 | |
| Current liabilities to group companies | | | | 30,955 | |
| Trade payables to group companies | | | | 75,337 | |
| Other current liabilities | | | | 232 | |
| Trade payable, public duties payable and other current liabilities | | | | | |
| **Net financial assets and liabilities at 31 december 2021** | **-** | **425,570** | **-** | **258,129** | **167,441** |

### Fair value of financial instruments recognized at amortized cost

Financial instruments recognized at amortized cost consist of liabilities with floating rates. Recognized value is assumed to be a good indication of fair value for these liabilities taking into consideration the current margin and market conditions.

(1) Loan to Group Companies matures later than 5 years

## Note 5 Revenues From Contracts With Customers

- All revenues are services provided to Group Companies
- The Company has disaggregated revenue into various categories in the following table which is intended to:

### Disaggregation based on type of customers

### Revenues based on geographic location of customers

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Norway | 15,351 | 17,053 |
| Sweden | 18,291 | 2,219 |
| Other | 7,192 | |
| **Total** | **40,833** | **19,271** |

### Revenues by product or service

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Sale of goods | | |
| Sale of service | 40,833 | 19,271 |
| **Total** | **40,833** | **19,271** |

### Timing of revenue recognition

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Point in time | 40,833 | 19,271 |
| Over time | | |
| **Total** | **40,833** | **19,271** |

## Note 6 Employee Benefit Expenses

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Salaries | 0 | 0 |
| Social security expenses | 0 | 0 |
| Contribution to pension schemes | 0 | 0 |
| Fees for external staff | 0 | 0 |
| Other expenses | 0 | 0 |
| **Total** | **0** | **0** |

| | |
|---|---|
| Number of employees at year end | 0 |
| Average full -time employees during the financial year: | 0 |

### Key management compensation 2022

| (All figures in NOK 1 000) | Salary | Bonuses | Pension | Other benefits | Total |
|---|---|---|---|---|---|
| CEO | - | - | - | - | 0 |

### Key management compensation 2021

| (All figures in NOK 1 000) | Salary | Bonuses | Pension | Other benefits | Total |
|---|---|---|---|---|---|
| CEO | - | - | - | - | 0 |

CEO is employed at Kiona AS, which provides management services for Kiona Holding AS.

CEO's compensation will be found in the notes to the financial statement of Kiona AS.

### Pension

### Compensation to board members 2022

| (All figures in NOK 1 000) | |
|---|---|
| Board members | 696 |

### Compensation to board members 2021

| (All figures in NOK 1 000) | |
|---|---|
| Board members | 716 |

### Audit fees

**Audit fees to the auditors in the group enti-ties is as follows (excluding VAT)**

| (All figures in NOK 1 000) | 2021 | 2020 |
|---|---|---|
| Statutory audit | 837 | 228 |
| Other assurance services | 709 | 108 |
| Other non-assurance services | | 0 |
| **Total** | **1,546** | **337** |

## Note 7 Other Operating Expenses

| | 2022 | 2021 |
|---|---|---|
| Sales, marketing costs | 582 | 1,266 |
| Travelling, freight and transport | 20 | |
| Cost related to buildings, equipment and fixtures | 354 | |
| Other operating costs | 32,835 | 41,923 |
| Insurance, credit losses and related expenses | 17 | 23 |
| **Total** | **33,808** | **43,212** |

## Note 8 Finance Income And Expense

### Finance income

| | 2022 | 2021 |
|---|---|---|
| Interest income | 542 | |
| Foreign exchange gains | 2,694 | 799 |
| Other finance income | 0 | |
| **Total finance income** | **3,236** | **799** |

### Finance expense

| | 2022 | 2021 |
|---|---|---|
| Interest on debts and borrowings | 17,096 | 11,595 |
| Other interest expenses | | |
| Foreign exchange losses | 1,976 | 188 |
| Other finance expense | 468 | 32 |
| **Total finance expense** | **19,540** | **11,816** |

## Note 9 Income Tax

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Taxable income** | | |
| Result from continued operations | (27,071) | (45,971) |
| Result from discontinued operations | | |
| Non taxable items (1) | (7) | 7,890 |
| Changes in temporary differences | 0 | 0 |
| Received intra-group contribution | 0 | 8,297 |
| Provided intra-group contribution | 0 | 0 |
| **Taxable income** | **(27,078)** | **(29,784)** |
| | | |
| **Income tax expense:** | | |
| Current income tax | 0 | 0 |
| Payable tax | 0 | 0 |
| Taxes from corporate contribution | 0 | (1,825) |
| Changes in deferred tax | (5,957) | (6,552) |
| **Total** | **(5,957)** | **(8,378)** |
| | | |
| Income tax expenses from discontinued operations | 0 | 0 |
| Income tax expense from continuing operations | 0 | 0 |
| **Total income tax expense from continued operation** | **0** | **0** |

**Temporary differences and tax positions**

| | 2022 | 2021 |
|---|---|---|
| Tangible assets | 0 | 0 |
| Accounts receivable | (5,511) | (5,511) |
| **Total temporary differences and tax positions** | **(5,511)** | **(5,511)** |
| Accumulated loss to be brought forward | (56,862) | (29,784) |
| Basis for deferred tax | (62,374) | (35,295) |
| **Net deferred tax** | **(13,722)** | **(7,765)** |
| | | |
| **Specification in the statement of financial position** | | |
| Payable tax on this years result | 0 | 0 |
| Payable tax on provided Group contribution | 0 | 0 |
| Payable tax on received Group contribution | 0 | 0 |
| Deferred tax asset | (13,722) | (7,765) |
| Deferred tax | - | - |
| **Net deferred tax** | **(13,722)** | **(7,765)** |

## Note 9 Income Tax (cont.)

| Tax payable in the statement of financial position | | |
|---|---|---|
| Current income tax payable | 0 | 0 |
| Prepaid tax | 0 | 0 |
| **Net tax payable** | **0** | **0** |

(1) Includes non-deductible costs such as representation, gifts and non-taxable income such as capital gains and dividends from associated companies.

### Reconciliation of effective tax rate

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Result before tax | (27,071) | (45,971) |
| **Income tax based on applicable tax rate (22%)** | **(5,956)** | **(10,114)** |
| Effect from foreign currency and different tax rates | | |
| Changes in not recognized tax loss carried forward | | |
| Not deductible expenses | (2) | 1,736 |
| Not taxable income | 0 | 0 |
| **Income tax expense** | **(5,957)** | **(8,378)** |
| Effective tax rate | 22.0 % | 18.2 % |

## Note 10 Intangible Assets

| (All figures in NOK 1 000) | Licenses, patents etc | Development | Total |
|---|---|---|---|
| **Cost as of. 31.12.2021** | **21,153** | **41,875** | **63,029** |
| Additions | 21,153 | 41,875 | 63,029 |
| Prior year changes | | 15,973 | (97) |
| Disposals | (97) | | |
| Foreign currency effects | | | - |
| **Cost as of 31.12.2022** | **21,056** | **57,849** | **78,905** |
| | | | |
| **Accumulated depreciation and impairments as of 31.12.2021** | **(3,105)** | **(7,192)** | **(10,297)** |
| Depreciation | (4,263) | (11,000) | (15,263) |
| Impairments | | | - |
| Reclass written down assets | | 2,829 | 2,829 |
| Disposals | | | - |
| Foreign currency effects | | | - |
| **Accumulated depreciation and impairments as of 31.12.2022** | **(7,368)** | **(15,363)** | **(22,730)** |
| | | | |
| **Carrying amount as of 31.12.2021** | **18,048** | **34,684** | **52,732** |
| | | | |
| **Carrying amount as of 31.12.2022** | **13,689** | **42,486** | **56,174** |
| | | | |
| Economic life | 5 year | 5 year | |
| Depreciation method | Linear | Linear | |

Intangible assets related to capitalization of development costs concern the development of functionality on existing products, new functions and functionality.

## Note 11 Plant, Property, and Equipment

| (All figures in NOK 1 000) | Total Equipment |
|---|---|
| **Cost as of 31.12.2020** | **-** |
| Additions | - |
| Additions business combinations | - |
| Disposals | - |
| Foreign currency effects | - |
| **Cost as of 31.12.2021** | **-** |
| Additions | 1,377 |
| Additions business combinations | - |
| Disposals | - |
| Reclass written down assets | - |
| Foreign currency effects | - |
| **Cost as of 31.12.2022** | **1,377** |
| **Accumulated depreciation and impairments as of 31.12.2020** | **-** |
| Depreciation | - |
| Impairments | - |
| **Accumulated depreciation and impairments as of 31.12.2021** | **-** |
| Depreciation | (60) |
| Impairments | - |
| Disposals | - |
| Reclass written down assets | - |
| Foreign currency effects | - |
| **Accumulated depreciation and impairments as of 31.12.2022** | **(60)** |
| **Carrying amount as of 31.12.2021** | **-** |
| **Carrying amount as of 31.12.2022** | **1,317** |
| Economic life | 3 - 5 year |
| Depreciation method | Linear |

## Note 12 Subsidiaries and Inter-Company Balances

| Subsidiaries | Country of incorporation | Proportion of ownership | |
|---|---|---|---|
| | | 2022 | 2021 |
| Kiona AS (formerly IWMAC AS) * | Norway | 100,0 % | 100,0 % |
| Kiona Sweden AB (formerly Iwmac AB) ** | Sweden | 100,0 % | 100,0 % |
| Kiona A/S (formerly Egain Denmark AS) | Denmark | 100,0 % | na *** |
| Kiona GmbH (formerly Egain Energiedienstleistungen GmbH) | Germany | 100,0 % | na *** |
| Kiona Sp Zoo (formerly Egain Polska Sp Zoo) | Poland | 100,0 % | na *** |
| Kiona Oy (formerly Egain Finland OY) | Finland | 100,0 % | na *** |
| Kiona Sàrl (formerly Alpha Eco) | Switzerland | 100,0 % | na *** |
| Cebyc GmbH | Germany | 100,0 % | na **** |
| Kiona LT UAB | Lithuania | 100,0 % | 100,0 % |
| Egain International AB ** | Sweden | na | 100,0 % |
| Socius Management AS * | Norway | na | 100,0 % |
| Moldeo AB ** | Sweden | na | 100,0 % |

| | 2022 | | | 2021 | | |
|---|---|---|---|---|---|---|
| (All figures in NOK 1 000) | Carrying amount | Equity | Profit (-loss) | Carrying amount | Equity | Profit(-loss) |
| Kiona AS * | 120,524 | 26,924 | 7,269 | 33,524 | 15,769 | 7,331 |
| Kiona Sweden AB ** | 252,154 | 43,550 | 1,276 | 7,886 | 2,264 | 94 |
| Kiona LT UAB | 26 | 77 | 36 | 26 | 30 | 5 |
| Kiona A/S | 590 | 918 | 28 | | | |
| Kiona GmbH**** | 315 | (1,128) | (30) | | | |
| Kiona Oy | 1,909 | 2,304 | 82 | | | |
| Kiona Sàrl | 16,186 | 455 | 98 | | | |
| Kiona Sp Zoo | 0 | 389 | 53 | | | |
| Egain International AB ** | | | | 176,563 | 42,598 | (14,184) |
| Socius Management AS * | | | | 87,000 | 6,246 | 7,889 |
| Moldeo AB ** | | | | 86,704 | 10,644 | 3,454 |
| **Total** | **391,703** | | | **391,703** | | |

* In 2021: Single entity. In 2022, includes merged entities: Socius Management AS and Cebyc AS

** In 2021: Single entity. In 2022, includes merged entities: Egain International AB, Egain Sweden AB and Moldeo AB

*** Previously subsidiaries of eGain International AB

**** Previously subsidiary of Socius Management AS

**** Includes merged entities: Kiona GmbH and Cebyc GmbH

## Note 12 Subsidiaries and Inter-Company Balances (cont.)

### Receivables

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Non-current: Loans to group companies** | | |
| Kiona Sweden AB | - | - |
| **Non-current: Receivables from group companies** | | |
| Kiona AS | 16,686 | - |
| **Current: Receivables from group companies** | | |
| Kiona AS* | 23,027 | 13,995 |
| Kiona Sweden AB** | 10,093 | 64 |
| Kiona A/S | 407 | |
| Kiona GmbH**** | 3,083 | |
| Kiona Sp Zoo | 368 | |
| Kiona Oy | | |
| Kiona Sàrl | 617 | |
| Kiona LT UAB | 482 | |
| Socius Management AS* | | 8,297 |
| Cebyc GmbH**** | | 766 |
| Cebyc AS* | | 6,547 |
| Moldeo AB** | | 2,694 |
| Egain International AB** | | 1,220 |
| **Total (current receivables from group companies)** | **38,077** | **33,583** |

### Payables

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Non-current: Liabilities to group companies** | | |
| Kiona AS | 228,919 | 137,676 |
| Kiona Sweden AB | - | 7,754 |
| **Total** | **228,919** | **145,430** |
| **Current: Liabilities to group companies** | | |
| Kiona AS | 32,406 | 62,480 |
| Kiona Sweden AB | 19,194 | 2,300 |
| Cebyc GmbH**** | | 8 |
| Kiona GmbH**** | 667 | |
| Kiona LT UAB | 238 | |
| Kiona Sàrl | 13 | |
| Socius Management AS* | 683 | 11,377 |
| Moldeo AB** | | 4,093 |
| Egain International AB** | | 30,704 |
| **Total** | **53,201** | **110,963** |

## Note 12 Subsidiaries and Inter-Company Balances (cont.)

### Related party transactions

(All figures in NOK 1000)

**2022**

| Related party | Company | Description | Relation | Amounts owed to related parties | Amount owed by related parties |
|---|---|---|---|---|---|
| Pivot Invest AS | Kiona Holding AS | Consultancy | Shareholder | 2,885 | - |
| **Total** | | | | **2,885** | **-** |

**2021**

| Related party | Company | Description | Relation | Amounts owed to related parties | Amount owed by related parties |
|---|---|---|---|---|---|
| Egain Group AB | Kiona Holding AS | Consultancy | Shareholder | 4,520 | - |
| Pivot Invest AS | Kiona Holding AS | Consultancy | Shareholder | 217 | - |
| Towering Cumulus AS | Kiona AS | Consultancy | Shareholder | 20 | - |
| Byggteknikk Prosjekt AS | Kiona AS | Rent | Shareholder | 8,436 | - |
| Pivot Invest AS | Kiona AS | Consultancy | Shareholder | 2,694 | - |
| Egain Group AB | Egain International AB | Consultancy | Shareholder | 622 | - |
| **Total** | | | | **16,510** | **-** |

All transactions are made at fair market value.

## Note 13 Trade And Other Receivables

### Trade receivables

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Other short term receivables | 728 | 116 |
| Less: Provision for impairment of trade receivables | 0 | 0 |
| **Net trade receivables** | **728** | **116** |

| | 2022 | 2021 |
|---|---|---|
| Receivables written off during the years | 0 | 0 |
| Collected on receivables written of in prior periods | | |
| Changes in provision during the year | | |
| **Impairment loss during the year** | **0** | **0** |

There is no found losses in trade receivables and no calculated expected loss provision for trade receivables in the years 2021 and 2022.

## Note 14 Cash And Cash Equivalents

### Cash at hand and on demand bank deposits

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Cash at hand and on demand bank deposits | 3,963 | 168 |

## Note 15 Share Capital And Shareholders

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| Share capital | 666 | 660 |
| Treasury shares | 0 | 0 |
| Share premium | 263,654 | 256,113 |
| **Total paid in capital** | **264,321** | **256,773** |

| (All figures in NOK 1 000) | 2022 | 2021 |
|---|---|---|
| **Dividends paid** | **0** | **10,441** |

| Shareholders holding 1% or more of the Share capital: | No. of shares | % of total |
|---|---|---|
| Egain Group AB | 1,499,414 | 31.4 % |
| Byggteknikk Drift AS | 1,437,151 | 30.1 % |
| Summa Energy Investments AB | 313,859 | 6.6 % |
| Pivot Invest 1 AS | 291,641 | 6.1 % |
| Bjørnnes AS | 261,919 | 5.5 % |
| Stangvik AS | 195,886 | 4.1 % |
| Jonicore AB | 157,347 | 3.3 % |
| Magnus Magnus AS | 94,967 | 2.0 % |
| Nyvoll Invest AS | 92,515 | 1.9 % |
| X3M Design AB | 56,650 | 1.2 % |
| Hiwi AB | 55,780 | 1.2 % |
| Marine AS | 52,760 | 1.1 % |
| **Total** | **4,509,889** | **94.4 %** |
| Others | 267,182 | 5.6 % |
| **Total shares** | **4,777,071** | **100.0 %** |

## Note 15 Share Capital And Shareholders (cont.)

As of 31 December **2022**, the parent company's share capital compromised:

| | |
|---|---|
| Nominal value per share | 0.1395 |
| Total number of shares | 4,777,071 |
| Share capital in NOK 1 000 | 666 |

### Shares owned by members of the board and directors

| Name | Title | Shares | Shareholding |
|---|---|---|---|
| Trond-Øystein Bjørnnes * | CEO | | |
| Kent Zehetner ** | Chair | | |
| Magnus Bang Svendsen *** | Board member | | |
| Leif Mikael Anjou | Board member | 200 | 0.004 % |
| Guro Solem | Board member | 200 | 0.004 % |
| Morten Lund | Board member | 205 | 0.004 % |

* Trond-Øystein Bjørnnes owns indirectly through Bjørnnes AS. Bjørnnes owns 51 % of Bjørnnes AS.

** Kent Zehetner owns indirectly through Pivot Invest 1 AS and Pivot Invest 2 AS. Zehetner owns ~ 42% of Pivot Invest 1 AS, and 50 % of Pivot Invest 2 AS.

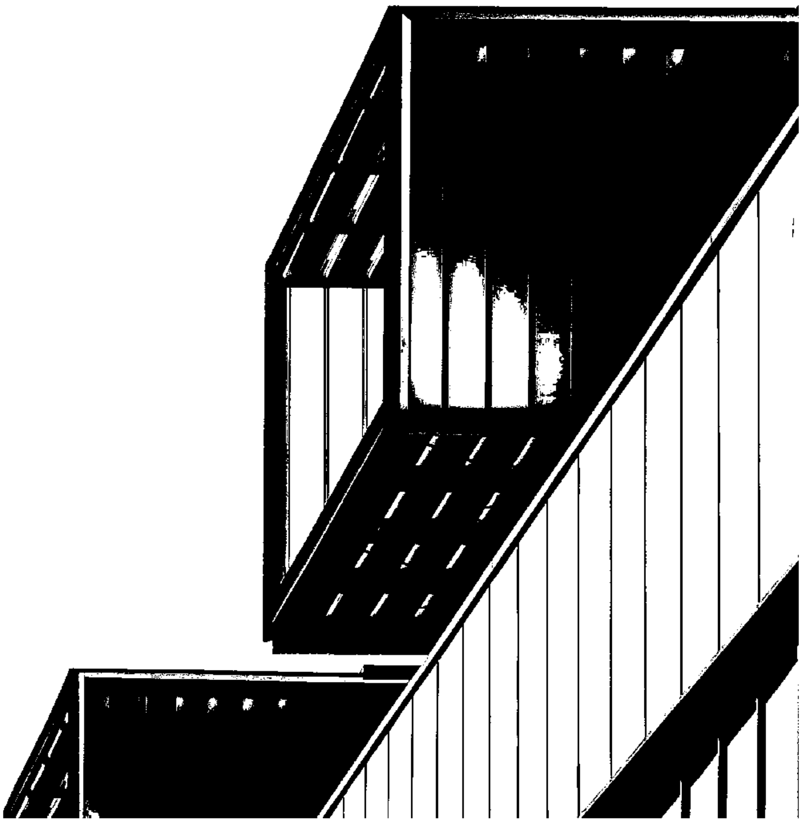
*** Magnus Bang Svendsen owns 100% of Magnus Magnus AS, and is CEO of Byggteknikk Drift AS.

## Note 16 Events After the Reporting Date

The merger of the companies in Germany, Kiona GmbH and Cebyc GmbH was approved by German authorites in March 2023 and the legal entity in the UK Kiona EMS ltd was dissolved in March 2023. No other material events have occured after the reporting date.

# 08 →

# Auditor's Report



## Auditor's Report

**Deloitte.**

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Tel: +47 73 87 69 00
www.deloitte.no

To the General Meeting of Kiona Holding AS

INDEPENDENT AUDITOR'S REPORT

***Opinion***
We have audited the financial statements of Kiona Holding AS, which comprise:

- The financial statements of the parent company Kiona Holding AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Kiona Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows 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 simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, 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 International Financial Reporting Standards as adopted by the EU.

***Basis for Opinion***
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 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.

## Auditor's Report (cont.)

**Deloitte.**



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 simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 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 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 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.

## Auditor’s Report (cont.)

Deloitte.



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.

Trondheim,
Deloitte AS

**Jon Bjørnaas**
State Authorised Public Accountant

Kiona

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