Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	911 631 474
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ININ GROUP AS
Forretningsadresse:	Henrik Ibsens gate 100 0255 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

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:	Arne Arthur Molland
Dato for fastsettelse av årsregnskapet:	22.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert

År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 11.08.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	8 330 000	0
Sum inntekter		**8 330 000**	**0**
Kostnader			
Varekostnad		0	145 000
lønnskostnader	3	18 700 000	9 453 000
Avskrivninger	11,13	2 129 000	420 000
Driftskostnader	4	10 711 000	21 016 000
Sum kostnader		**31 540 000**	**31 034 000**
Driftsresultat		**-23 210 000**	**-31 034 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	5	721 000	77 000
Sum finansinntekter		**721 000**	**77 000**
Annen finanskostnad	5	48 587 000	261 000
Sum finanskostnader		**48 587 000**	**261 000**
Netto finans		**-47 866 000**	**-184 000**
Ordinært resultat før skattekostnad		**-71 076 000**	**-31 218 000**
Ordinært resultat etter skattekostnad		**-71 076 000**	**-31 218 000**
Årsresultat		**-71 076 000**	**-31 218 000**
Overføringer og disponeringer			
Udekket tap	8	-71 076 000	-31 218 000
Overføring til annen egenkapital			
Sum overføringer og disponeringer		**-71 076 000**	**-31 218 000**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	11	0	28 690 000
Right of use asset	13	3 959 000	7 253 000
Sum immaterielle eiendeler		**3 959 000**	**35 943 000**
Varige driftsmidler			
Eiendom	11	445 000	1 367 000
Inventar		0	164 000
Sum varige driftsmidler		**445 000**	**1 531 000**
Finansielle anleggsmidler			
Investering i datterselskap	10	227 618 000	
Sum finansielle anleggsmidler		**227 618 000**	
Sum anleggsmidler		**232 022 000**	**37 474 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		229 000	10 439 000
Konsernfordringer	9	118 153 000	
Sum fordringer		**118 382 000**	**10 439 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd	7	110 239 000	116 272 000
Sum bankinnskudd, kontanter og lignende		**110 239 000**	**116 272 000**
Sum omløpsmidler		**228 621 000**	**126 711 000**
SUM EIENDELER		**460 643 000**	**164 185 000**

BALANSE - EGENKAPITAL OG GJELD

Balanse

Beløp i: NOK	Note	2021	2020
Egenkapital			
Innskutt egenkapital			
Aksjekapital	8	5 900 000	3 515 000
Annen innskutt egenkapital	8	440 491 000	185 792 000
Sum innskutt egenkapital		**446 391 000**	**189 307 000**
Opptjent egenkapital			
Udekket tap		125 741 000	54 664 000
Sum opptjent egenkapital		**-125 741 000**	**-54 664 000**
Sum egenkapital		**320 650 000**	**134 643 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktige lån	12,13	2 254 000	9 540 000
Sum annen langsiktig gjeld		**2 254 000**	**9 540 000**
Sum langsiktig gjeld		**2 254 000**	**9 540 000**
Kortsiktig gjeld			
Current liabilities to financial institutions	12	0	607 000
Current lease liability	13	2 196 000	2 154 000
Leverandørgjeld		951 000	9 853 000
Skyldige offentlige avgifter	6	2 804 000	1 271 000
Kortsiktig konserngjeld	9	129 608 000	
Annen kortsiktig gjeld		2 182 000	6 117 000
Sum kortsiktig gjeld		**137 741 000**	**20 002 000**
Sum gjeld		**139 995 000**	**29 542 000**
SUM EGENKAPITAL OG GJELD		**460 645 000**	**164 185 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	4	13 066 000	0
Sum inntekter		**13 066 000**	**0**
Kostnader			
Varekostnad		2 573 000	145 000
lønnskostnader	5	36 662 000	9 453 000
Avskrivninger	10,12, 13	19 594 000	420 000
Driftskostnader	6,10	58 997 000	21 016 000
Sum kostnader		**117 826 000**	**31 034 000**
Driftsresultat		**-104 760 000**	**-31 034 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	7	239 000	77 000
Sum finansinntekter		**239 000**	**77 000**
Annen finanskostnad	7	1 007 000	261 000
Sum finanskostnader		**1 007 000**	**261 000**
Netto finans		**-768 000**	**-184 000**
Ordinært resultat før skattekostnad		**-105 528 000**	**-31 218 000**
Skattekostnad på ordinært resultat	8	511 000	
Ordinært resultat etter skattekostnad		**-106 039 000**	**-31 218 000**
Årsresultat		**-106 039 000**	**-31 218 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	10	87 367 000	28 690 000
Right to use asset	13	6 747 000	7 253 000
Utsatt skattefordel	8	73 000	0
Goodwill	10	94 114 000	0
Sum immaterielle eiendeler		**188 301 000**	**35 943 000**
Varige driftsmidler			
Eiendom	12	3 305 000	1 367 000
Inventar		734 000	164 000
Sum varige driftsmidler		**4 039 000**	**1 531 000**
Finansielle anleggsmidler			
Other current receivables		11 260 000	10 439 000
Sum finansielle anleggsmidler		**11 260 000**	**10 439 000**
Sum anleggsmidler		**203 600 000**	**47 913 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	14	4 506 000	0
Sum fordringer		**4 506 000**	**0**
Bankinnskudd, kontanter og lignende			
Bankinnskudd	15	124 237 000	116 272 000
Sum bankinnskudd, kontanter og lignende		**124 237 000**	**116 272 000**
Sum omløpsmidler		**128 743 000**	**116 272 000**
SUM EIENDELER		**332 343 000**	**164 185 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Shard capital	17	5 900 000	3 515 000
Annen innskutt egenkapital	17		
Sum innskutt egenkapital		**5 900 000**	**3 515 000**
Opptjent egenkapital			
Annen egenkapital	17	442 247 000	185 792 000
Udekket tap		160 848 000	54 664 000
Minoritetsinteresser		144 000	
Sum opptjent egenkapital		**281 543 000**	**131 128 000**
Sum egenkapital		**287 443 000**	**134 643 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig lån	18, 13	16 058 000	9 540 000
Sum annen langsiktig gjeld		**16 058 000**	**9 540 000**
Sum langsiktig gjeld		**16 058 000**	**9 540 000**
Kortsiktig gjeld			
Current liabilities to financial institutions	18	3 717 000	607 000
Current lease liability	13	3 418 000	2 154 000
Leverandørgjeld	19	4 004 000	9 853 000
Betalbar skatt	8	511 000	0
Skyldig offentlige avgifter	19	5 430 000	1 271 000
Annen kortsiktig gjeld	19	11 760 000	6 118 000
Sum kortsiktig gjeld		**28 840 000**	**20 003 000**
Sum gjeld		**44 898 000**	**29 543 000**
SUM EGENKAPITAL OG GJELD		**332 341 000**	**164 186 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer:	2022 914554

Enheten

Organisasjonsnummer:	911 631 474
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ELOP AS
Forretningsadresse:	Drammensveien 133 0277 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

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:	Arne Arthur Molland
Dato for fastsettelse av årsregnskapet:	22.06.2022

Revisjon

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører:	Ja
Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet:	Ja

Grunnlag for avgivelse

År 2021: Årsregnskap er elektronisk innlevert.
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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, 05.09.2022

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 911 631 474
ELOP AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	8 330 000	0
Sum inntekter		**8 330 000**	**0**
Kostnader			
Varekostnad		0	145 000
lønnskostnader	3	18 700 000	9 453 000
Avskrivninger	11,13	2 129 000	420 000
Driftskostnader	4	10 711 000	21 016 000
Sum kostnader		**31 540 000**	**31 034 000**
Driftsresultat		**-23 210 000**	**-31 034 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	5	721 000	77 000
Sum finansinntekter		**721 000**	**77 000**
Annen finanskostnad	5	48 587 000	261 000
Sum finanskostnader		**48 587 000**	**261 000**
Netto finans		**-47 866 000**	**-184 000**
Ordinært resultat før skattekostnad		**-71 076 000**	**-31 218 000**
Ordinært resultat etter skattekostnad		**-71 076 000**	**-31 218 000**
Årsresultat		**-71 076 000**	**-31 218 000**
Overføringer og disponeringer			
Udekket tap	8	-71 076 000	-31 218 000
Overføring til annen egenkapital			
Sum overføringer og disponeringer		**-71 076 000**	**-31 218 000**

Organisasjonsnr: 911 631 474
ELOP AS

BALANSE

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	11	0	28 690 000
Right of use asset	13	3 959 000	7 253 000
Sum immaterielle eiendeler		**3 959 000**	**35 943 000**
Varige driftsmidler			
Eiendom	11	445 000	1 367 000
Inventar		0	164 000
Sum varige driftsmidler		**445 000**	**1 531 000**
Finansielle anleggsmidler			
Investering i datterselskap	10	227 618 000	
Sum finansielle anleggsmidler		**227 618 000**	
Sum anleggsmidler		**232 022 000**	**37 474 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		229 000	10 439 000
Konsernfordringer	9	118 153 000	
Sum fordringer		**118 382 000**	**10 439 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd	7	110 239 000	116 272 000
Sum bankinnskudd, kontanter og lignende		**110 239 000**	**116 272 000**
Sum omløpsmidler		**228 621 000**	**126 711 000**
SUM EIENDELER		**460 643 000**	**164 185 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	8	5 900 000	3 515 000
Annen innskutt egenkapital	8	440 491 000	185 792 000
Sum innskutt egenkapital		**446 391 000**	**189 307 000**
Opptjent egenkapital			
Udekket tap		125 741 000	54 664 000

Sum opptjent egenkapital		**-125 741 000**	**-54 664 000**
Sum egenkapital		**320 650 000**	**134 643 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktige lån	12,13	2 254 000	9 540 000
Sum annen langsiktig gjeld		**2 254 000**	**9 540 000**
Sum langsiktig gjeld		**2 254 000**	**9 540 000**
Kortsiktig gjeld			
Current liabilities to financial institutions	12	0	607 000
Current lease liability	13	2 196 000	2 154 000
Leverandørgjeld		951 000	9 853 000
Skyldige offentlige avgifter	6	2 804 000	1 271 000
Kortsiktig konserngjeld	9	129 608 000	
Annen kortsiktig gjeld		2 182 000	6 117 000
Sum kortsiktig gjeld		**137 741 000**	**20 002 000**
Sum gjeld		**139 995 000**	**29 542 000**
SUM EGENKAPITAL OG GJELD		**460 645 000**	**164 185 000**

Organisasjonsnr: 911 631 474
ELOP AS

KONSERNRESULTATREGNSKAP

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	4	13 066 000	0
Sum inntekter		**13 066 000**	**0**
Kostnader			
Varekostnad		2 573 000	145 000
lønnskostnader	5	36 662 000	9 453 000
Avskrivninger	10,12,13	19 594 000	420 000
Driftskostnader	6,10	58 997 000	21 016 000
Sum kostnader		**117 826 000**	**31 034 000**
Driftsresultat		**-104 760 000**	**-31 034 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	7	239 000	77 000
Sum finansinntekter		**239 000**	**77 000**
Annen finanskostnad	7	1 007 000	261 000
Sum finanskostnader		**1 007 000**	**261 000**
Netto finans		**-768 000**	**-184 000**
Ordinært resultat før skattekostnad		**-105 528 000**	**-31 218 000**
Skattekostnad på ordinært resultat	8	511 000	
Ordinært resultat etter skattekostnad		**-106 039 000**	**-31 218 000**
Årsresultat		**-106 039 000**	**-31 218 000**

Organisasjonsnr: 911 631 474
ELOP AS

KONSERNBALANSE

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	10	87 367 000	28 690 000
Right to use asset	13	6 747 000	7 253 000
Utsatt skattefordel	8	73 000	0
Goodwill	10	94 114 000	0
Sum immaterielle eiendeler		**188 301 000**	**35 943 000**
Varige driftsmidler			
Eiendom	12	3 305 000	1 367 000
Inventar		734 000	164 000
Sum varige driftsmidler		**4 039 000**	**1 531 000**
Finansielle anleggsmidler			
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Sum finansielle anleggsmidler		**11 260 000**	**10 439 000**
Sum anleggsmidler		**203 600 000**	**47 913 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	14	4 506 000	0
Sum fordringer		**4 506 000**	**0**
Bankinnskudd, kontanter og lignende			
Bankinnskudd	15	124 237 000	116 272 000
Sum bankinnskudd, kontanter og lignende		**124 237 000**	**116 272 000**
Sum omløpsmidler		**128 743 000**	**116 272 000**
SUM EIENDELER		**332 343 000**	**164 185 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Shard capital	17	5 900 000	3 515 000
Annen innskutt egenkapital	17		
Sum innskutt egenkapital		**5 900 000**	**3 515 000**
Opptjent egenkapital			

Annen egenkapital	17	442 247 000	185 792 000
Udekket tap		160 848 000	54 664 000
Minoritetsinteresser		144 000	
Sum opptjent egenkapital		**281 543 000**	**131 128 000**
Sum egenkapital		**287 443 000**	**134 643 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig lån	18, 13	16 058 000	9 540 000
Sum annen langsiktig gjeld		**16 058 000**	**9 540 000**
Sum langsiktig gjeld		**16 058 000**	**9 540 000**
Kortsiktig gjeld			
Current liabilities to financial institutions	18	3 717 000	607 000
Current lease liability	13	3 418 000	2 154 000
Leverandørgjeld	19	4 004 000	9 853 000
Betalbar skatt	8	511 000	0
Skyldig offentlige avgifter	19	5 430 000	1 271 000
Annen kortsiktig gjeld	19	11 760 000	6 118 000
Sum kortsiktig gjeld		**28 840 000**	**20 003 000**
Sum gjeld		**44 898 000**	**29 543 000**
SUM EGENKAPITAL OG GJELD		**332 341 000**	**164 186 000**

Organisasjonsnr: 911 631 474
ELOP AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
4.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Organisasjonsnr: 911 631 474
ELOP AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

To the General Meeting of Elop AS

Independent Auditor's Report

Opinion

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

- The financial statements of the parent company Elop AS (the Company), which comprise the balance sheet as at 31 December 2021, the statement of profit or loss, 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 Elop AS and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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 2021, 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 financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, 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 laws and regulations 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 Matters

The Company's financial statements have been submitted after the expiry of the Euronext Growth Oslo time limit for publication of financial statements.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

pwc

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.

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 legal 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.

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

Oslo, 22 June 2022
PricewaterhouseCoopers AS

Anders Ellefsen
Anders Ellefsen
State Authorised Public Accountant (Norway)

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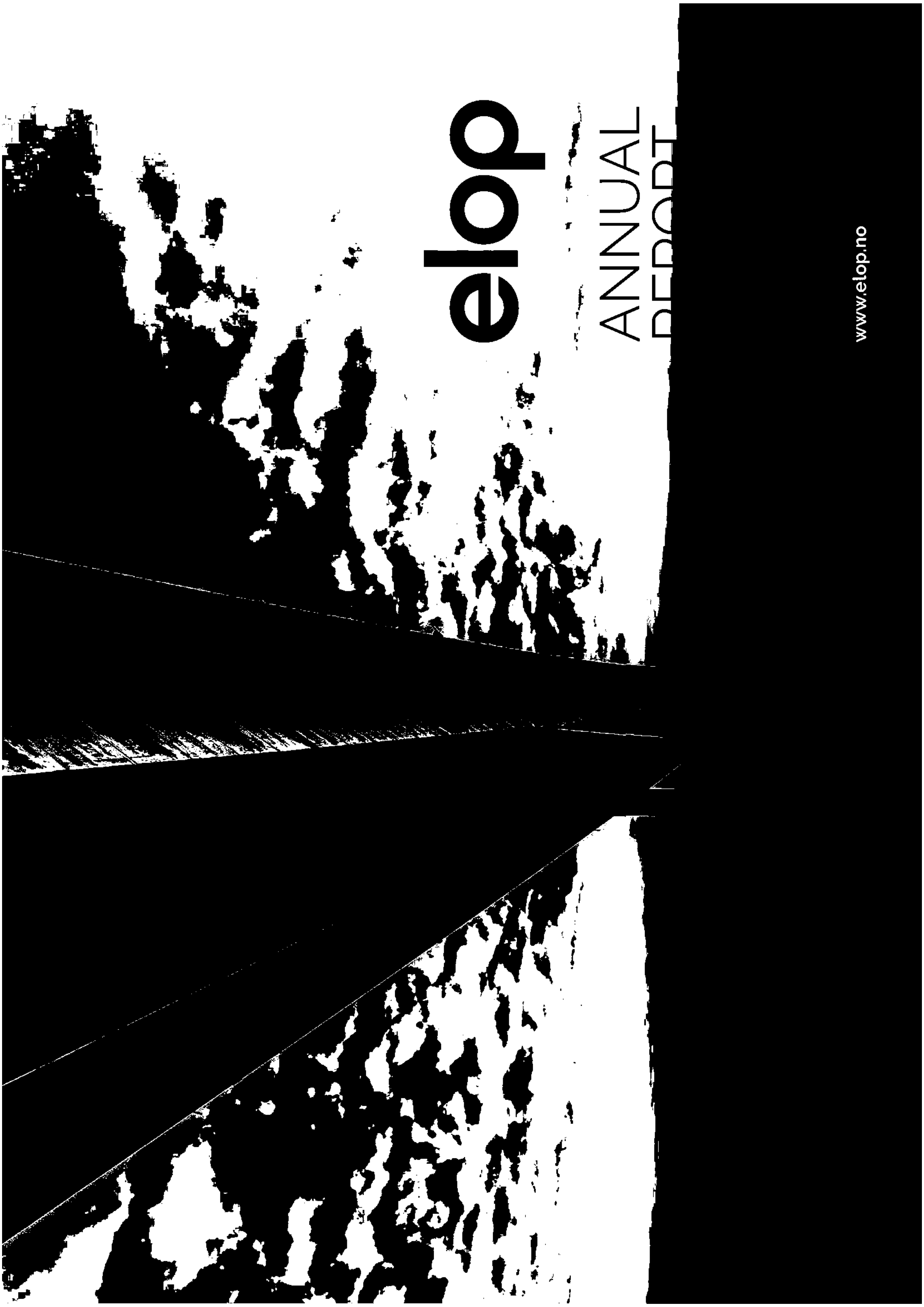
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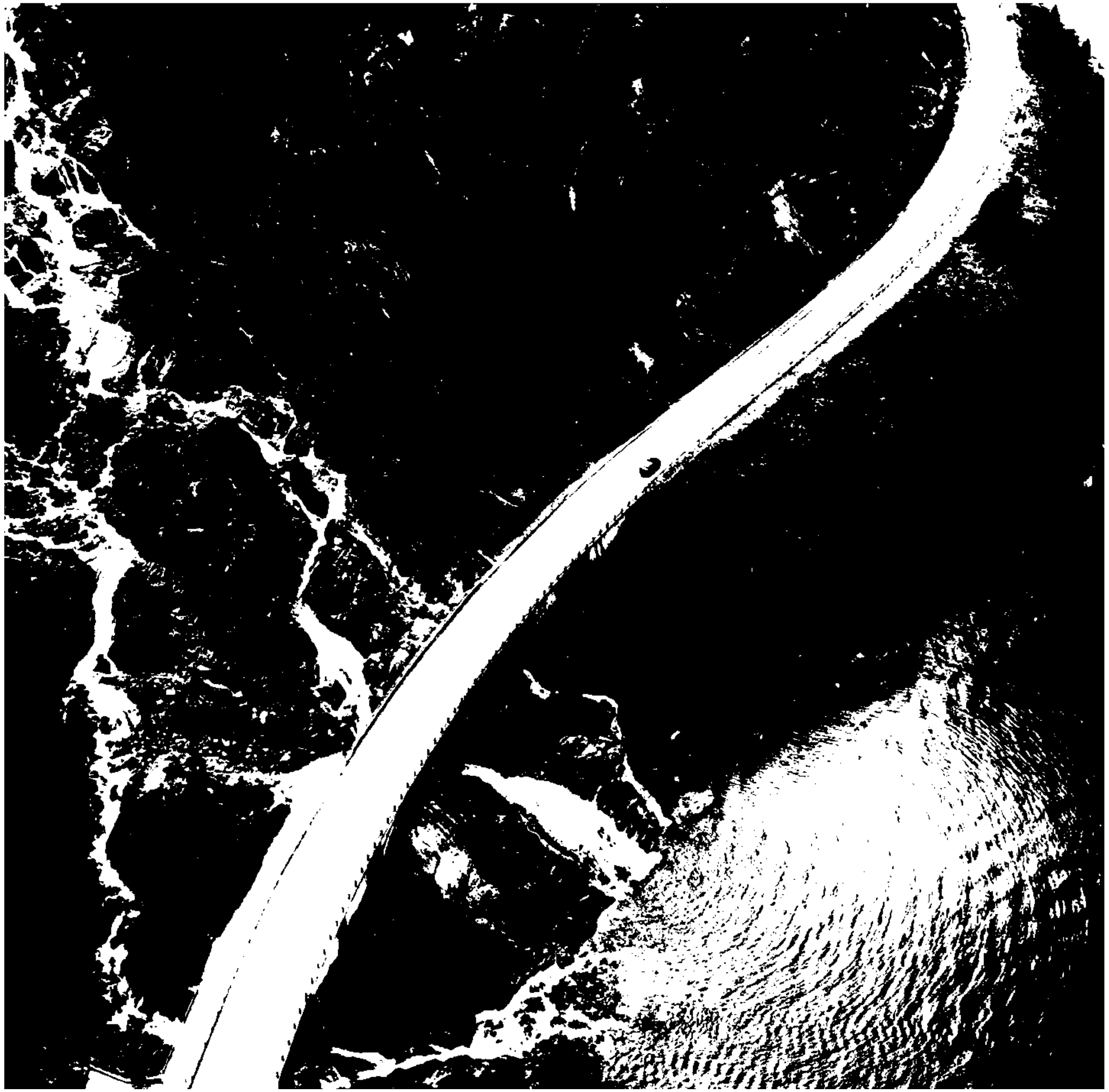
Elop Techno



ABOUT ELOP TECHNOLOGY

Elop is a global technology company founded in Norway. We develop tools and digital solutions to inspect, monitor and manage concrete infrastructure, and have developed the world's first rolling ultrasound scanner. Through data-driven and AI-based solutions for inspection and predictive maintenance, Elop can provide asset owners with solutions that improve safety, extend asset lifetime, minimize total lifecycle cost and environmental footprint.

To address these challenges

- 8% of the world's CO_2 comes from concrete production
- Ageing infrastructure
- Increasing safety and costs risk related to structural health issues
- Lack of efficient hardware to collect data
- Lack of efficient software to monitor infrastructure health

Elop's vision is to provide asset owners, managers, and technicians with solutions that improve safety, efficiency, extend asset lifetime, minimize total lifecycle cost and environmental footprint.

Elop's mission is to make concrete structures safe, sustainable, and financially viable

Solutions

Elop's solutions provide richer, more insightful data for concrete structures than ever before, enabling proactive inspection, monitoring, and structural health management of concrete structures.

This unique concrete insight enables data driven decisions and helps to address global safety and environmental concerns, whilst simultaneously reducing the lifecycle cost of assets. Elop's vision is for a safer, more sustainable future as we proactively work to keep concrete structures safe, sustainable, and financially viable.

Elop Insight

Elop Insight is the world's first rolling, ultrasonic scanning solution for concrete inspection. It identifies and reveals the internal state of concrete structures, providing instant and actionable insight. The

Elop Insight is used for detecting tendon ducts and concrete defects, estimate concrete thickness, rebar location, and concrete velocity. Elop Insight enables smart scanning for a large variety of concrete structures, such as bridges, dams, tunnels, and buildings.

One of the key advantages of Elop Insight is, it can scan large area of concrete structrure in less time just by rolling over the surface and transmit data at real time. Elop Insight offers asset owners and managers with a solution that improve safety, extend asset lifetime, minimize total lifecycle cost, and environmental footprint. The scanner offers simplified inspection, increased efficiency, precise detection of structural weakness, and access to historic and insightful data.

Benefits

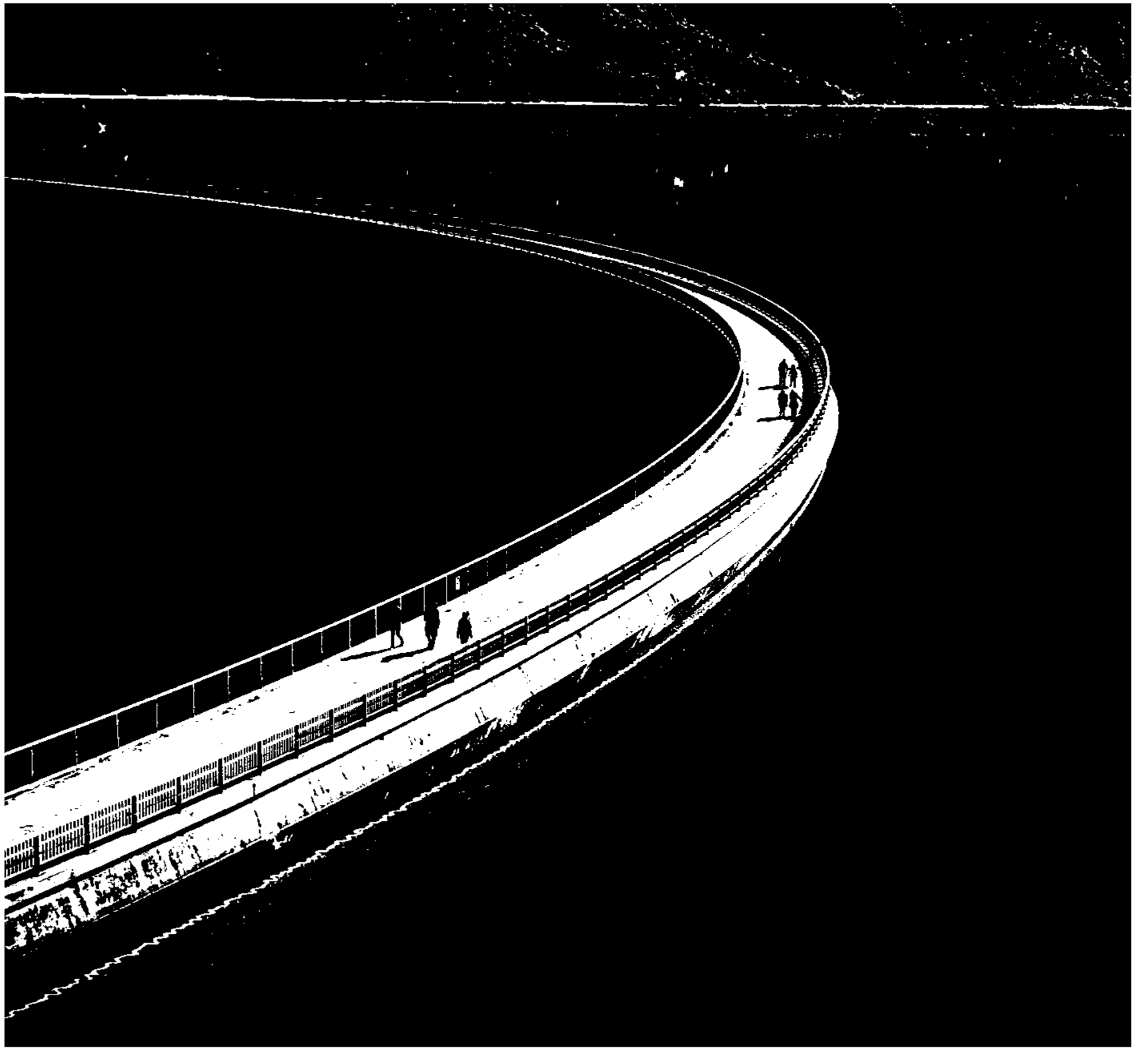
- Quicker, simpler, and intuitive scanning
- Improving safety, extending asset lifetime, and minimizing costs
- Scalable cloud-based application
- Real-time 3D visualisation, models and images
- Flexible data collection
- Potential for predictive maintenance and structural health monitoring

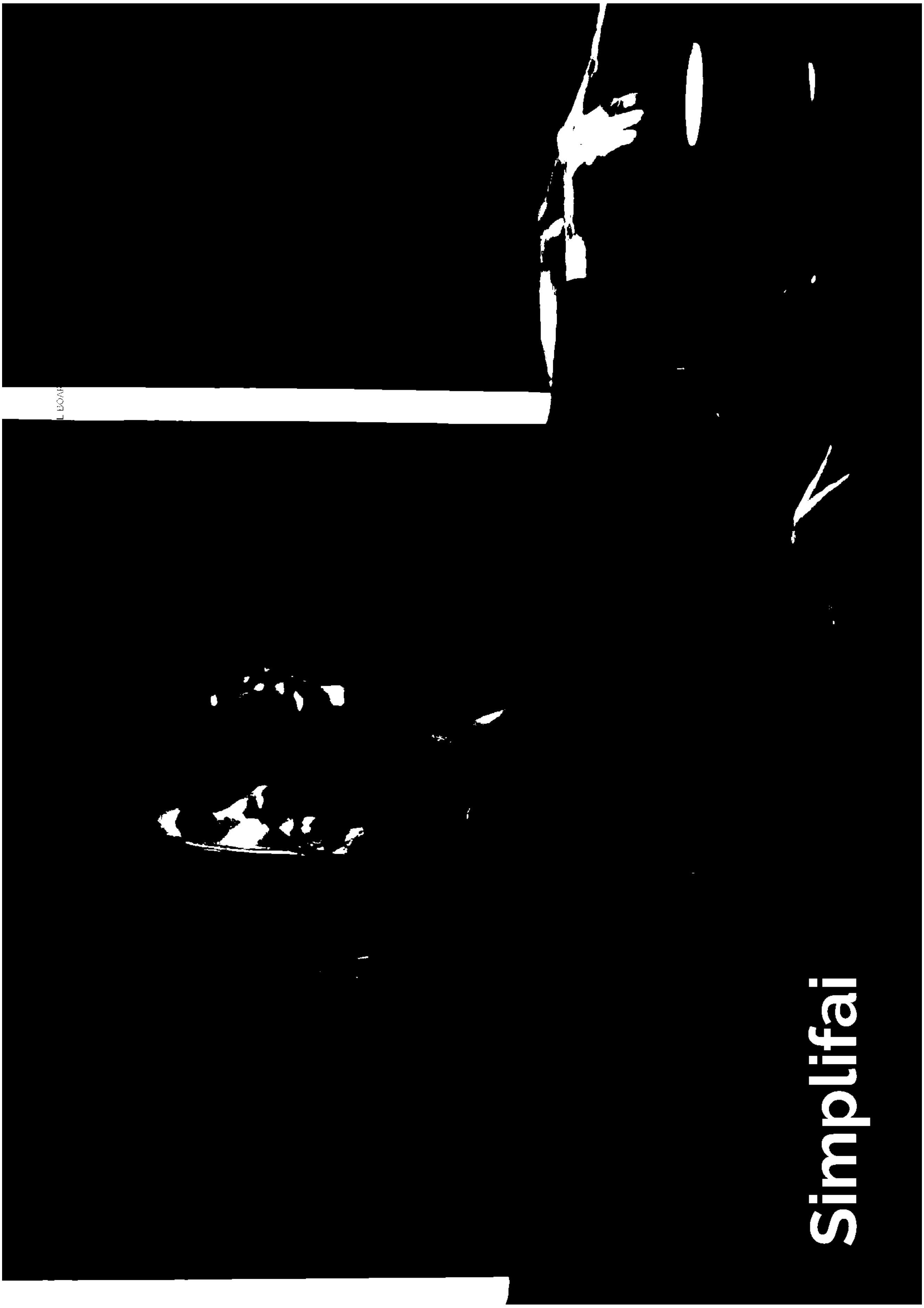
Elop Multrawheel

Elop Multrawheel is an inspection device that functions on the operational principles of Elop Insight and allows for efficient inspections of composite materials, such as windmill turbines and other large structures with curved surfaces. Its scanning abilities and remotely operation functions, makes inspection 10x faster and safe. Elop Multrawheel is an ergonomically designed ultrasound rolling scanner with distinctive scanning abilities to find defects and provide real-time insights.

Elop AMS

Elop AMS is the next generation Asset Management System for large infrastructures. This platform can be used to connect data from Elop Insight and with data from other external sources. This offers asset owners a full digital overview of their structures, helping them monitor health and proactively plan for future maintenance.




Simplifai

ABOUT SIMPLIFAI

Simplifai is provides Artificial Intelligence solutions and is headquartered in Norway with offices in India, Ukraine, Netherlands, and Denmark. With the support of its global partner network, Simplifai is helping businesses streamline their processes around the world, across industries and borders.

Simplifai's goal is to make AI simple and accessible for all through easy-to-use solutions.

Global AI Company
HQ in Oslo, 100+ employees

Verified: Microsoft Partner

Services: Digital Employees, Intelligent Process Automation

90% **Core:** Standardised Solutions,
~ 90% Automation Grade, Quick Implementation and ROI

AI **Tech:** AI, Natural Language Technology, Natural Language Processing (free-text)

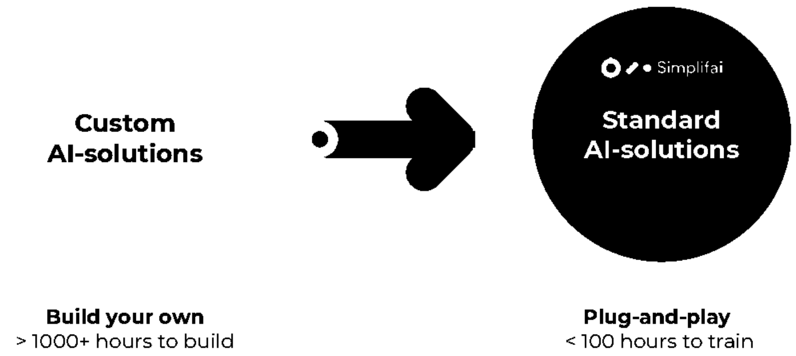
BOTS **Products:** Emailbot, Documentbot, and Chatbot

GO **Quick start:** Get started with only ~ 100 samples

Simplifai's AI solutions allows its clients can bridge this gap to scale faster and grow smarter.

Simple to:

- Assemble
- Train
- Integrate
- Supervise
- Expand



Natural Language Automation Simplified

Across businesses and industries, emails and documents are the key drivers in how we communicate and exchange information. The text is usually unstructured, also known as free-text, and has till now been difficult to automate.

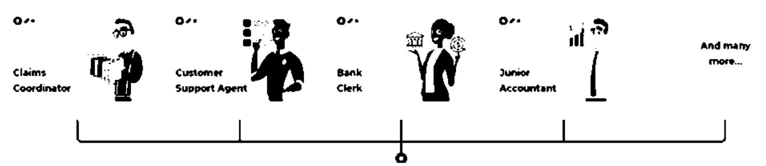
Simplifai offer text-based Intelligent Process Automation. We enable simple, end-to-end automation for work processes revolving around a lot of free text. The no-code solution is easy, affordable, and quick to implement for all companies across different business verticals and requires no technical skills.

Simplifai Technology

Simplifai offers Digital Employee solutions that can understand human communication, make decisions, and carry out tasks in systems. They can interpret free text, categorise it, and perform appropriate actions. Digital Employees are highly accurate, cost-effective, and can be implemented within few weeks. They can understand regional languages across the globe such as French, Arabic, Hindi, and Norwegian, thus helping our clients serve their customers better in their vernacular languages.

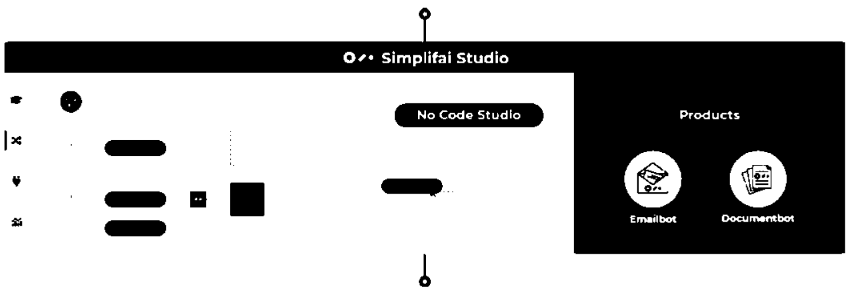
Solution Layer

Simplifai offer pre-configured automation solutions for many industries such as Insurance, Financial Services, Banking, the Public Sector, and many more, in the form of Digital Employees.



Product Layer

Emailbot and Documentbot are industry agnostic, which clients can configure in the no-code Simplifai studio to automate the processes they want.

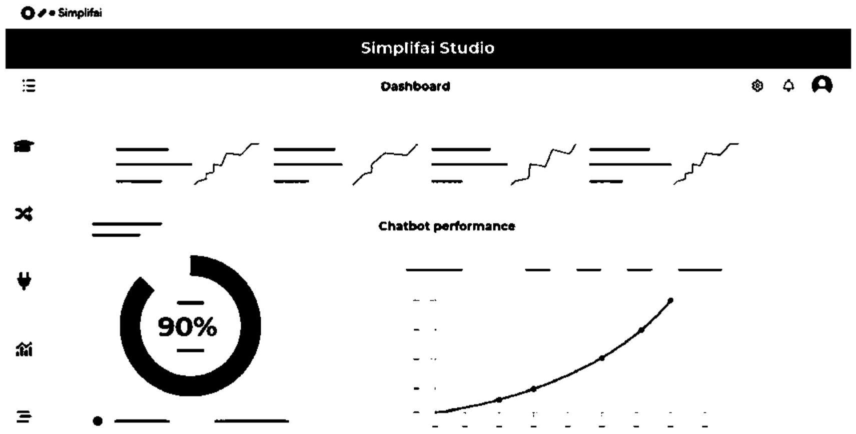


Simplifai Studio Platform

No-Code Automation platform Simplifai Studio

Simplifai Studio is an all-in-one platform for configuring, training, and monitoring bots. It is user-friendly and requires no coding or technical skills. The Studio makes it easy to enable end-to-end automation for your business.

- Start with just a few samples
- Train by tagging intents and entities
- Decide rules and workflow as per requirement



Business goals achieved

Simplifai aim to help its clients grow by increasing their work efficiency, reducing operational costs and improving employee satisfaction and customer service.

Increased productivity

- Higher efficiency reduces cost of operations
- Enables scaling up with low cost

Happy employees

- Removes time-consuming and repetitive tasks
- Frees up time for more demanding tasks

Customer satisfaction

- Reduces response time and increases resource availability
- Increases quality and level of consistency

Members of the Board

Øivind Horpestad | Chairman

Øivind Horpestad built up the Nordic region's largest industrial company for rail infrastructure, NRC from zero to 6 billion annual revenue. He has broad industrial experience through former positions in Team Bane (now part of NRC Group), VRS Rail AS and Coast Capital. Øivind is a Norwegian citizen and resides in Oslo, Norway.

Kristian Lundkvist | Board member

Kristian is a serial entrepreneur and investor. He founded Middelborg in 1999 and has built it from a small telecom company to an investment company with a broad range of investments. Kristian holds several positions as chair of the boards and board member in the larger portfolio companies. He has extensive experience in business development, M&A and restructuring. Kristian is a Norwegian citizen and resides in Oslo, Norway.

Lars Nilsen | Board member

Lars Nilsen is the owner and CEO of Lani Invest AS. He has been CEO of Block Watne AS which changed its name to BWG Homes ASA, a company previously listed on Oslo Stock Exchange. Nilsen holds an BA in finance and real estate from the University of Denver, USA. Lars is a Norwegian citizen and resides in Drammen, Norway.

Ketil Skaget | Board member

Ketil is owner and CEO of Melandsø Invest AS. He founded Byggmetall AS in 2001 that has delivered certified steel and concrete constructions to Norwegian building and constructions sites for 19 years. Ketil was the first external investor in ELOP in 2015. Ketil holds a degree in technical welding inspection and a marketing degree from BI. Ketil is a Norwegian citizen and resides in Tønsberg, Norway.

Management Team

Øivind Horpestad | Chief Executive Officer

Øivind Horpestad built up the Nordic region's largest industrial company for rail infrastructure, NRC from zero to 6 billion annual revenue. He has broad industrial experience through former positions in Team Bane (now part of NRC Group), VRS Rail AS and Coast Capital. Øivind resides in Oslo, Norway.

Bård Myrstad | Chief Operating Officer & CEO of Simplifai

Bård is one of the founders of Simplifai. He has a strong background in the IT sector with experience in Accenture, Embriq and Viz Risk Management. Bård holds an Executive Master in Energy Management from ESCP Business School, Institut Francais du Petrole (IFP) and BI Norwegian Business School and a MSc in Computer Science from the University of Oslo. Bård resides in Oslo, Norway.

Erik Leung | Chief Product Officer

Erik has more than 10 years of experience in product leadership roles in various technology companies. His prior experience includes Head of AI at EVRY Financial Services and Co-Founder and COO at Simplifai. Erik has an B.Sc. in Computer Science and Engineering from UCLA. Erik resides in Oslo, Norway.

Daniel Kohn | Chief Commercial Director

Daniel has more than 10 years of experience in sales and sales management positions in Canon Business Solution. In addition, he has experience as Sales Director for Growth businesses with Global Connect (Broadnet). He brings a wide industry knowledge combined with an understanding of both HW and SW sales and processes. He holds a M.Sc. Industrial Mechanics from NTNU and an Exec. MBA from NHH merging engineering and business into business development. Daniel resides in Oslo, Norway.

Kim Boman | Chief Financial Officer

Kim has more than 20 years' experience in various finance roles. He was recently CFO of Oslo-listed AqualisBraemar ASA and prior to this head of investor relations for REC Solar ASA. Boman also has corporate finance experience from DNB Markets and Swedbank Markets (First Securities). He holds a master's degree in business and economics from BI Norwegian School of Management and a MSc in finance from London Business School. Kim resides in Oslo, Norway.

Imran Tamboli | Chief Technology Officer

Imran has more than 15 years of experience in technical leadership roles in various technology companies. His prior experience includes Head of Delivery at EVRY Financial Services and CTO at Simplifai. Imran has an M.Sc. in Computer Science from University of Pune. Imran resides in Oslo, Norway.

Stian Thorsrud | Head of Communication & Marketing

Stian has almost two decades of experience in corporate communications and press/media. Prior to this role, he was Communications Director at Siemens for eight years. Stian also brings 10 years of journalistic experience as journalist with the Norwegian Financial Daily and Dine Penger. He pursued his graduation in Economics from the Norwegian Business School and the University of Oslo. Stian resides in Moss, Norway.

Board of Directors' Report 2021

Background

Elop AS ("the Company") is the parent company of the Elop group ("the Group" or "Elop") and is located in Oslo, Norway. Elop AS was founded in 2013 and is a limited liability company who is incorporated and domiciled in Norway, with its head office in Drammensveien 133, 0277 Oslo. The Company was listed on Euronext Growth on 17 July 2020 and has the ticker "ELOP-ME".

The Company holds a Directors and Officers Liability Insurance (D&O) covering the Board members and CEOs potential liability towards the company and third parties. The insurance coverage is NOK 20 million.

Strategy and objectives

Elop AS is a Norwegian holding company with two directly owned operating subsidiaries.

Elop Technology develops tools and digital solutions to inspect, monitor and manage infrastructure worldwide using patented ultrasound technology. Through data-driven and AI-based solutions for inspection and predictive maintenance of concrete infrastructure, the vision is to provide asset owners with solutions that improve safety, extend asset lifetime, minimise total lifecycle cost and environmental footprint. Simplifai offers automation solutions using artificial intelligence.

Simplifai's Digital Employee solutions automate labour intensive work process where natural language communication including email, chat or documents are central. On 8 June 2022 Elop announced the signing of a share purchase agreement for the sale of Simplifai. The transaction is expected to close on 30 June 2022. Upon the closure of the sale, the Group will have one remaining business area.

Organisation

The organisation in the Group was reorganised after Simplifai was acquired in January 2021. This led to significant organisational changes during 2021 with the phase in of a new management team and joint management and technology team across Elop and Simplifai with shared common resources in areas such as marketing, business development, software development and finance.

The integration of Simplifai allowed Elop Technology to accelerate the insourcing of key competencies within product and software development, R&D and production. The in-house product and software development organisation has grown significantly during 2021 while the use of external consultants supporting hardware and software development has been reduced significantly.

The legal reorganisation of the Group was completed in August 2021. It established Elop AS a holding company for the group, with Elop Technology AS and Simplifai AS as its' directly owned operating subsidiaries.

FINANCIAL REVIEW

Financial statements

The consolidated financial statements for 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adapted by the EU. The following financial summary is based on the consolidated financial statements of Elop. The Board of Directors believe the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flow, consolidated statement of changes in equity and the accompanying notes provide satisfactory information about the operations, financial results and position of the Group and the parent company on 31 December 2021 and the financial period then ended.

Financial results

The group operating revenues were NOK 13.1 million in 2021 (NOK 0 million). Elop Technology had external revenues of NOK 0.3 million and Simplifai NOK 12.9 million.

Cost of sales amounted to NOK 2.6 million (NOK 0.1 million) in 2021.

Employee benefit expenses amounted to NOK 36.7 million (NOK 9.5 million) in 2021. The average number of employees increased from 14 on 31 December 2020 to 136 on 31 December 2021

Other operating expenses amounted to NOK 36.1 million (NOK 21.0 million) in 2021.

Depreciation and amortisation amounted to NOK 19.6 million (NOK 0.4 million) in 2021, consisting mainly of depreciation of intangible assets. An impairment loss of NOK 22.9 million (NOK 0.0 million) was recognised related to Simplifai.

EBIT amounted to NOK -104.8 million (NOK -31.0 million) in 2021.

Net financial items of NOK -0.8 million (NOK -0.2 million).

Net loss for the year was NOK -106.0 million (NOK -31.2 million) in 2021.

Consolidated statement of cashflow, liquidity and financial position

Cash flow from operating activities in 2021 was NOK -57.7 million (NOK -26.8 million). Cash from investment activities was NOK -32.4 million (NOK -17.5 million). Cash flows from financing activities was NOK 98.0 million (NOK 152.6 million).

Total assets as of 31 December 2021 were NOK 332.3 million (NOK 164.2 million). Non-current assets were NOK 191.6 million (NOK 37.3 million) and consisted mainly of goodwill NOK 94.1 million (NOK 0 million) and intangible assets NOK 87.4 million (NOK 28.7 million)

Current assets amounted to NOK 140.7 million (NOK 126.9 million) and comprised primarily of NOK 124.4 million in cash (NOK 116.3 million).

Equity as of 31 December 2021 amounted to NOK 287.4 million (NOK 134.6 million), representing an equity ratio of 86% (82%). Equity was increased through a NOK 9 million conversion of a convertible loan in in January 2021, NOK 148 million acquisition of Simplifai and a NOK 100 million private placement in October 2021.

Total liabilities as of 31 December 2021 amounted to NOK 44.9 million (NOK 29.5 million), whereof NOK 12.2 million (NOK 4.2 million) in non-current liabilities to financial institutions. Current liabilities amounted to NOK 28.8 million (NOK 20.0 million).

Financial result of parent company

Elop AS prepares its financial statements in accordance with Simplified International Financial Reporting Standards (simplified IFRS). Elop AS is an ultimate holding company for the Group's operations.

The parent company's net loss for the year amounted to NOK 71.1 million (NOK 31.2 million)

Going concern

Based on Elop AS's current cash position, and the estimated future net cash flows, Elop has the necessary funds to meet its obligations for the next 12 month. The Board of Directors assess the Company's financial position and liquidity to be adequate given the current cash position, the sale of Simplifai and the expected cash burn, and confirm that the Financial Statements have been prepared under the assumption of going concern and that this assumption is valid.

Risk factors

Elop is exposed to financial risk in different areas - mainly currency risk, liquidity risk and credit risk. The Group seeks to minimize potential adverse effects of such risks through sound business practice

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Credit risk with respect to trade receivables and contract assets is limited by a relative high share of prepayments. Customer credit risk is managed by each subsidiary in the Group.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency), the Group's net investments in foreign subsidiaries, and the Group's foreign currency denominated cash depos. The group expenses are mainly in NOK, INR, EUR and USD.

Interest-rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relate primarily to the Group's debt with floating interest rates and Group's cash and cash equivalent with floating rates.

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. Surplus liquidity is primarily placed on a bank deposit account.

Capital structure and equity

The primary focus of the Group's capital management is to ensure that it maintains an acceptable capital ratio in order to support its business operations and safequard the ability to continue as a going concern, so that it can proivde return for shareholders and benefits for other stakeholders. The financial statement is prepared on the basis of going concern.

Regulatory risk

The group is exposed to risks related to changes in agreements, taxation or operational regulations. This risk is difficult to hedge against apart from securing that operations at all times are incompliance with the prevailing rules and regulations.

Employees

Elop aims to be a workplace with equal opportunities and practices gender equality regarding salary, promotion and recruiting. As the Group is mainly recruiting sales and technology personnel, occupations typically dominated by males, a major portion of the staff is male. At year end 2021 Elop AS had 4 employees. Elop had no female executive manager, and there were no female Board members.

There was limited leave of absence due to illness recorded in 2021, and no incidences nor reports of work-related accidents resulting in significant material damage or personal injury.

The working environment is considered to be good and activities to secure a continued positive working environment are carried out on an ongoing basis.

Market and Outlook

Outlook is subject to changes in market conditions, operational performance and product and software development. The financial market has changed significantly over the past year and there is now a strong focus on earnings. Companies with new technology, that will open new markets, are no longer as attractive among investors. The contemplated sale of Simplifai is a response to the changing financials markets.

Elop Technology seeks to expand value add beyond being a product provider and looks for opportunities to move into adjacent segments across the value chain, leveraging its proprietary hardware data to drive deep insight.

Elop Technology

Maintenance of critical concrete infrastructure is a growing global concern as the infrastructure is ageing and stressing the focus of assessing the structural health of concrete structures such as e.g., dams, cooling towers, bridges, office and residential property, and tunnels. There has been an increasing number of accidents over the last years which is putting safety on the agenda, highlighting the need for better tools to monitor structural integrity. The Elop Insight scanner and associated software is continually being enhanced. The development of the first version of the AMS Insight is targeted to be completed by the end of 2022 and the Structural Health Monitoring system is expected to be operational during 2024.

Companies and asset owners in several industries and geographical areas have shown interest in Elop Technology's ultrasound technology. Introducing new technology and opening new markets takes time. Elop Technology is therefore focusing on demonstrating the technology and gaining industry acceptance of its use and benefits and expanding its distribution and partner network.

ELOP Technology expects to continue to see significant interest from all over the world for its technology. There are ongoing discussions and negotiations with multiple distributors and partners.

Simplifai

The global natural language processing ("NLP") market is estimated at USD 12 billion according according to external market research firm "MarketsAndMarkets" and is expected to grow at 20% per annum.
The need for companies to utilise better and smarter solutions drives the ever more advanced tech developments, and the use of AI and NLP is a core technology that pushes the boundaries known today. As technology progresses, the opportunities for applying AI and NLP will expand in the future. Companies that fail to implement AI and NLP solutions are expected to have an increasing disadvantage vs those that implemented the technology. Companies aiming to maintain and enhance their competitive position will need to implement clear automation and AI strategic goals. Simplifai is well positioned to assist companies on this path.

Oslo, 22 June 2022

(Sign)	**(Sign)**
Øivind Omar Horpestad Chairman of the Board	**Lars Nilsen** Board member
(Sign)	**(Sign)**
Kristian Gjertsen Lundkvist Board member	**Ketil Melandsø Skaget** Board member

Consolidated financial statements and notes

Consolidated statement of profit or loss

Amounts in NOK thousand	Note	2021	2020
Revenue	4	13,066	-
Total revenue		**13,066**	-
Cost of sales		2,573	145
Employee benefit expenses	5	36,662	9,453
Other operating expenses	6	36,061	21,016
Depreciation and amortisation	10,12,13	19,594	420
Impairment loss	10	22,936	-
Operating profit/(loss) (EBIT)		**(104,759)**	**(31,033)**
Financial income	7	239	77
Financial expenses	7	1,007	261
Net financial items		**(768)**	**(184)**
Profit/(loss) before income tax		**(105,527)**	**(31,216)**
Tax expense	8	511	-
Profit/(loss) for the year		**(106,039)**	**(31,216)**
Profit/(loss) for the period is attributable to:			
Non-controlling interests		144	-
Owners of ELOP AS		(106,183)	(31,216)
Earnings per share in NOK			
Basic earnings per share	24	(1.09)	(0.51)
Diluted earnings per share	24	(1.03)	(0.51)

Consolidated statement of comprehensive income

Amounts in NOK	Note	2021	2020
Profit/(loss) for the year		(106,039)	(31,216)
Other comprehensive income (translation differences):		238	-
Total comprehensive income/(loss) for the year		**(105,802)**	**(31,216)**
Total comprehensive income/(loss) is attributable to:			
Non-controlling interests		144	-
Owners of ELOP AS		(105,946)	(31,216)

Consolidated balance sheet

Amounts in NOK thousand	Notes	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Goodwill	10	94,114	-
Intangible assets	10	87,367	28,690
Property, plant and equipment	12	3,305	1,367
Right of use assets	13	6,747	7,253
Deferred tax asset	8	73	-
Total non-current assets		**191,605**	**37,310**
Current assets			
Inventory		734	164
Trade receivables	14	4,506	-
Other current receivables		11,260	10,439
Cash and cash equivalents	15	124,237	116,272
Total current assets		**140,737**	**126,875**
TOTAL ASSETS		**332,343**	**164,185**
EQUITY AND LIABILITIES			
Equity			
Share capital	17	5,900	3,515
Treasury shares		(30)	-
Share premium	17	427,785	181,220
Other equity reserves	17	14,254	4,572
Translation differences		238	-
Retained deficit		(160,848)	(54,664)
Equity atributable to equity holders of Elop AS		**287,299**	**134,643**
Non-controlling interests		144	-
Total equity		**287,443**	**134,643**
Non-current liabilities			
Non-current liabilities to financial institutions	18	12,155	4,214
Non-current lease liabilities	13	3,903	5,326
Total non-current liabilities		**16,058**	**9,540**
Current liabilities			
Trade payables	19	4,004	9,853
Tax payable	8	511	-
Current liabilities to financial institutions	18	3,717	607
Current lease liability	13	3,418	2,154
Public fees payable	19	5,430	1,271
Other current liabilities	19	11,760	6,118
Total current liabilities		**28,841**	**20,002**
Total liabilities		**44,899**	**29,542**
TOTAL EQUITY AND LIABILITIES		**332,343**	**164,185**

Oslo, 22 June 2022

(Sign)
Øivind Omar Horpestad
Chairman of the Board

(Sign)
Lars Nilsen
Board member

(Sign)
Kristian Gjertsen Lundkvist
Board member

(Sign)
Ketil Melandsø Skaget
Board member

Consolidated statement of changes in equity

Amounts in NOK thousand	Notes	Share capital	Own shares	Share premium	Other equity reserves	Retained deficit	Total equity	Non-Controlling interest	Total equity
Balance at 1 January 2020		**2,001**	**44**	**27,782**	**4,356**	**(23,447)**	**10,691**	-	**10,691**
Profit/(loss) for the year		-	-	-	-	(31,217)	(31,217)	-	(31,217)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year		-	-	-	-	(31,217)	(31,217)	-	(31,217)
Capital increase 28.01.2020		563	-	48,647	-	-	49,211	-	49,211
Capital increase 14.02.2020		118	-	10,219	-	-	10,337	-	10,337
Capital increase 16.07.2020		833	-	99,068	-	-	99,900	-	99,900
Issue costs		-	-	(4,496)	-	-	(4,496)	-	(4,496)
Convertible debt interest		-	-	-	-	-	-	-	-
Share options/warrents		-	-	-	216	-	216	-	432
Transfer from share premium		-	-	-	-	-	-	-	-
Balance at 31 December 2020	**17**	**3,515**	-	**181,219**	**4,572**	**(54,664)**	**134,643**	-	**134,643**
Profit/(loss) for the year		-	-	-	-	(106,183)	(106,183)	144	(106,039)
Other comprehensive income		-	-	-	-	238	238	-	238
Total comprehensive income/(loss) for the year		-	-	-	-	**(105,946)**	**(105,946)**	**144**	**(105,802)**
Capital increase 15.01.2021		120	-	8,880	-	-	9,000	-	9,000
Capital increase 21.01.2021		1,015	-	145,963	-	-	146,978	-	146,978
Capital increase 13.10.2021		1,250	-	98,750	-	-	100,000	-	100,000
Issue costs		-	-	(4,523)	-	-	(4,523)	-	(4,523)
Share purchase		-	(55)	(4,837)	-	-	(4,892)	-	(4,892)
Share sale		-	25	2,331	-	-	2,356	-	2,356
Share options/warrents		-	-	-	9,682	-	9,682	-	9,682
Balance at 31 December 2021	**17**	**5,900**	**(30)**	**427,785**	**14,254**	**(160,609)**	**287,299**	**144**	**287,443**

Consolidated statement of cash flows

Amounts in NOK thousand	Notes	2021	2020
Cashflows from operating activities			
Profit/(loss) before income tax		(105,527)	(31,217)
Adjustments for			
Taxes paid		-	-
Depreciation and amortisation	12,13	19,594	420
Impairment loss	10	22,936	-
Share-based expenses	21	9,682	216
Change in trade and other receivables	14	(626)	13
Change in inventory		(570)	(164)
Change in trade and other payables	19	(6,880)	8,303
Change in accruals		3,072	(4,555)
Dividends received		-	(5)
Interest received		(175)	(66)
Interest paid		826	248
Cashflow from operating activities		**(57,669)**	**(26,807)**
Cash flows from investing activities			
Net Investment in subsidiary	11	9,118	-
Investment in property, plant and equipment	12	(2,333)	(1,213)
Investment in intangible assets	10	(48,945)	(16,317)
Receipt of government grants	10	9,753	-
Cashflow from investing activities		**(32,407)**	**(17,530)**
Cash flows from financing activities			
Dividend payment		-	-
Lease payment - IFRS 16	13	(2,906)	(124)
Repayment of other debt (Non-current / Current)		(342)	(2,089)
Net payment of treasury shares	17	(2,536)	-
Interest received		175	66
Interest paid		(826)	(215)
Capital increase received funds	17	104,477	154,952
Cashflow from financing activities		**98,042**	**152,595**
Net increase/(decrease) in cash and cash equivalents		7,966	108,257
Cash and cash equivalents in the beginning of period	15	116,272	8,014
Cash and cash equivalents through business combination	11	-	-
Cash and cash equivalents as of 31 Dec	**15**	**124,238**	**116,272**

Note 1. Corporate Information

Elop AS (the Company) was founded in 2013 and is a limited liability company which is incorporated and domiciled in Norway, with its head office in Drammensveien 133, 0277 Oslo. The Company is listed on Euronext Growth and has the ticker "ELOP-ME".

Elop Technology has developed a patented technology based on ultrasound for inspection and mapping of critical infrastructure. The company develops and commercializes tools and digital solutions to inspect, monitor and manage infrastructure worldwide. The vision is to provide owners of constructions with smart solutions that contribute to increased safety and service life, and reduced service life costs and climate footprint.

'Elop purchased Simplifai AS in 2021. Simplifai develops automation solutions using artificial intelligence to help its clients grow and cut costs. Its business concept is to develop automation systems that give business managers one tool to extract the value from all their existing systems.

These financial statements have been approved for issuance by the Board of Directors on 21 June 2022.

Note 2. Summary of significant accounting policies

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted approved by the European Union, interpretations issued by the IFRS, Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and the additional requirements of the Norwegian Accounting Act as of 31 December 2021.

These consolidated financial statements are presented in NOK, which is also the functional currency of the parent company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

The financial statements have been prepared on a historical cost basis.

Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively. Non-controlling interests consist either of the proportionate fair value of net identifiable assets or of fair value of those interests at the date of the business combination, and the non-controlling interests' share of changes in equity since the date of the business combination.

Business combinations

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value, or at the non-controlling interests proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

Goodwill arising on acquisition is recognised as an asset measured at the excess of the sum of the consideration transferred, the fair value of any previously held equity interests and the amount of any non-controlling interests in the acquired entity over the net amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the net fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities exceeds the total consideration of the business combination, the excess is recognised in the income statement immediately.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

Foreign currency translations

The consolidated financial statements going forward will be presented in NOK, which is Elop AS' functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The Group has foreign entities with functional currency other than NOK. At the reporting date, the assets and liabilities of foreign entities with functional currencies other than NOK are translated into NOK at the rate of exchange at the reporting date and their income statements are translated at the average exchange rates per month. The translation differences arising from the translation are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in the income statement.

Revenue recognition

Revenue from contracts with customers is recognised when control of the services or goods 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 Group received recurring revenue from sale of software as a service subscriptions and related support services. The Group considers its performance obligation connected to subscriptions to be satisfied over the lifetime of the subscriptions. Such revenue is thus recognised over time over the contract period on a linear basis. The customers are mostly invoiced on a yearly, quarterly or monthly basis, and payment is normally made before the subscription starts. Payment terms are due within 14-30 days from delivery.

In addition, the Group receives non-recurring revenue such as consulting services that are based on time and material contracts. Such revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group. The Group recognises revenue over time by measuring the time and material spent. The customers are invoiced on a monthly basis, and payment is generally due within 14- 30 days from delivery. There are no significant costs to obtain or fulfil the contracts that are recognised as an asset.

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

Trade receivables: Trade receivables are initially recognised at fair value. Trade receivables are non-interest bearing and trading terms range from 0 to 60 days and therefore classified as current.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of con-sideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group fulfils the performance obligations under the contract.

Share based payment

Employees (including senior executives and Chairman of the Board) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled, share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the grant date. The fair value is expensed over the vesting period as an employee benefit expense, with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to vest, based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The fair value at the grant date is determined using the Black-Scholes option pricing model. The expected share price volatility is based on historical volatility for the Company's share price. The risk-free interest rate is based on zero-coupon government bonds with a term equal to the expected term of the option being valued.

Social security contributions payable in connection with an option grant are considered an integral part of the grant itself. The charges are treated as cash-settled, share-based payments and re-measured at each reporting date.

When the options are exercised, the appropriate number of shares are transferred to the employee. The proceeds received from the exercise of the options (net of any directly attributable transaction costs) are credited directly to equity.

Pension plans

The Company has a defined contribution plan for its employees. The Company's payments are recognised in the income statement as an employee benefit expenses for the year to which the contribution applies.

Property, plant and equipment

Property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment charges. Depreciation is calculated on a straight-line basis over the assets' expected useful life and adjusted for any impairment charges. Ordinary repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit. Major assets with different expected useful lives are reported as separate components.

Property, plant and equipment are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount.

The difference between the asset's carrying amount and its recoverable amount is recognised in the income statement as an impairment loss. Property, plant and equipment that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Statement of cash flows

The Company presents the statement of cash flow using the indirect method. Cash inflows and cash outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash items. Value added tax and other similar taxes are regarded as collection of tax on behalf of authorities and are reported net.

Cash and short-term deposits

Cash and cash equivalents include cash on hand and bank deposits. Cash equivalents are short term investments that can be converted into know amount in cash within three months and which contain insignificant risk elements.

Government grants

Government grants that is related to assets are deducted from the carrying amount of the asset. A government grant is recognised only when there is reasonable assurance that the company will comply with the conditions attached to the grant and the grant will be received.

Intangible assets

Intangible assets acquired separately that have a finite useful life are carried at cost less accumulated amortisation and any impairment charges. Amortisation is calculated on a straight-line basis over the assets' expected useful life and adjusted for any impairment charges. Goodwill is not depreciated but is tested at least annually for impairment.

Expenditures on development activities are capitalised, providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the expenses can be reliably measured. Capitalised development costs include costs directly attributable to development of the intangible, such as personnel expenses and consultancy services. Otherwise, such expenses are expensed as and when incurred. Capitalised development cost is amortised on a straight-line basis over the assets' expected useful life and adjusted for any impairment charges.

Research

Expenditures on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, are recognised in profit or loss as incurred.

Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGU). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any group company purchases the company's equity instruments (treasury shares), for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued.

Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses. Furthermore, the Company's component's operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and thus separate financial information is available. The Company has determined that the Board of Directors are the chief operating decision maker.

The segment information is reported in accordance with the reporting to the Board of Directors (the chief operating decision makers) and is consistent with financial information used for assessing performance and allocating resources.

The groups business is managed by two segments - Elop Technology and Simplifai - which are monitored separately. The internal management reports provided by management to the Group's Board of Directors, which is the groups decision maker, is in accordance with this structure. Segment performance is evaluated based on revenues, gross profit and board range of key performance indicators in addition to segment profitability.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Group s financial assets are trade receivablesother current assets and cash and cash equivalents. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and other short-term deposit.

Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15 Revenue from contracts with customers. For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based ECLs at each reporting date. The Group has established a provision matrix . The group has limited historical credit loss experience with main focus on forward-looking factors specific to the debtors and the economic environment.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the duration of the borrowings. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade and other payables

Financial liabilities regularly give rise to a redemption obligation in cash or another financial asset. These include, among others, trade payables.

Upon initial recognition, financial liabilities are measured at fair value. The transaction costs directly attributable to the acquisition are also recognised for all financial liabilities that are not subsequently measured at fair value through profit or loss. Trade payables and other non-derivative financial liabilities are generally measured at amortised cost using the effective interest method. A financial liability is de recognised when the obligation underlying the liability is discharged, canceled or expired.

Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments. Contracts may contain both lease and non-lease components. When insignificant, the company do not split out the service element. The lease agreements do not impose any covenants. The lease payments are discounted using the company's incremental borrowing rate, being the rate that we would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease agreements are for rental of properties. The company has estimated the incremental borrowing rate to 3 %. The Company can be exposed to potential future increases in variable lease payments based on an index, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The right-of-use assets are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

The lease agreements include termination options and extension options. The termination option does not include a significant fee. It is the management intention to not early terminate the contract.

Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventory consists of finished goods.

Classification of current and non-current items

An asset is classified as current when it is expected to be realized or sold, or to be used in the Company's normal operating cycle, or falls due or is expected to be realized within 12 months after the end of the reporting period. Otherwise it Is classified as non-current assets. Liabilities are classified as current when they are expected to be settled in the normal operating cycle of the Company or are expected to be settled within 12 months of the end of the reporting period, or if the Company does not have an unconditional right to postpone settlement for at least 12 months after the balance sheet date.

Income tax

Income tax expenses consist of taxes payable and changes to deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are calculated based on temporary differences between the carrying amount of assets and liabilities in the financial statement and their tax basis, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to apply when the assets are realized or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available, against which the assets can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. The entity included in the financial statements is subject to income tax in the country where they are domiciled.

EPS

The calculation of basic earnings per share is based on the profit attributable to ordinary shares using the weighted average number of ordinary shares outstanding during the year after the deduction of the average number of treasury shares held over the period.

The calculation of diluted earnings per share is consistent with the calculation of the basic earnings per share, but at the same time gives effect to all dilutive potential ordinary shares that were outstanding during the period, by adjusting the profit/loss and the weighted average number of shares outstanding for the effects of all dilutive potential shares, for example:

- The profit or loss for the period attributable to ordinary shares is adjusted for changes in profit or loss that would result from the conversion of the dilutive potential ordinary shares
- The weighted average number of ordinary shares is increased by the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares

New standards in 2021

There are no new standards or interpretations with material effect for the Group in 2021.

Standards issued but not yet effective

The Group has not early adopted any standards, interpretation or amendment that has been issued but is not yet effective. The preliminary review of the impacts of standards and interpretations that are not yet effective have not identified any material effect from these on the Group's financial statements.

Note 3. Significant accounting estimates and judgements

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, are described below:

Business combinations

In a business combination, the assets acquired, and liabilities assumed are valued at fair value at the time of acquisition. The various assets and liabilities are valued on the basis of different models, requiring estimates and assumptions to be made. Goodwill is the residual in this type of purchase price allocation. Errors in estimates and assumptions can lead to an error in the split of the value between the various assets and liabilities, including goodwill, but the sum of the total excess values will always be consistent with the purchase price paid

Useful life of intangible assets

The useful lives of the intangible assets are assessed as either finite or indefinite and may in some cases involve considerable judgements. Intangible assets with indefinite useful lives are initially measured at fair value and subsequently tested for impairment by assessing the recoverable amount of each cash generating unit (CGU) or Group of CGUs to which the intangible assets relate.

Note 4. Revenue

Amounts in NOK thousand	2021	2020
Revenue	13,066	-
Total	**13,066**	-

Revenue by geography (by legal entity)

Amounts in NOK thousand	2021	2020
Norway	13,027	-
India	39	-
Total revenue	**13,066**	-

The Group has two customers with revenues representing over 10% of revenues one with 20 % and the second with 17%.

Simplifai's business model is based on subscriptions, with contract expected to last multiple years. Customer specific development and onboarding of customers is charged at an hourly base and classified as professional services. The Group recognises revenue over time by measuring the progress towards complete satisfaction of the services.

Elop Technology delivered the first scanners at the end of Q4 2021 to clients. The business model for Elop Technology will be devloped based on client feedback and market development. The scanners are sold with subscriptions, with contract expected to last multiple years. The Group recognises revenue over time for the subscription for concrete scanners.

Contract liabilities represent primarily advances related to billing in advance for subscriptions. The group has limited contract assets as subscriptions and services are mostly billed in advance. Those services that are not billed in advance will normally be invoiced on a monthly basis.

Amounts in NOK thousand	31 Dec 2021	31 Dec 2021
Contract liabilities	3,908	-

Note 5. Staff costs

Amounts in NOK thousand	2021	2020
Salaries and wages	39,486	10,597
Social security tax*	8,503	1,680
Share-based payments to employees	9,682	216
Pension	119	325
Other personnel costs	1,222	652
Capitalised employee expenses	(22,351)	(4,018)
Total	**36,662**	**9,453**

*) Of which soscial security tax related to share based payments	-	110
Average full-time employees	136	14

The group currently has defined contribution plans only. The Group's obligation are limited to annual contributions. The Norwegian companies in the Group are obligated to keep an occupational pension scheme pursuant to the Norwegian Mandatory Occupational Pensions Act. The Group's pension scheme satisfies these requirements.

Note 6. Other operating expenses

Amounts in NOK thousand	2021	2020
Consultancy expenses	13,143	10,445
Research projects	28,407	19,742
Licence and royalty fees	542	282
Short-term leasing and other premises expenses	1,083	981
Capitalised operating expenses	(28,407)	(19,450)
Other operating expenses	21,293	9,016
Total other operating expenses	**36,061**	**21,016**

Auditor related fees

Amounts in NOK thousand	2021	2020
Statutory audit	503	236
Other assurance services	119	43
Tax advisory services	116	6
Other consultancy services	480	305
Total remuneration to auditor, excl. VAT	**1,218**	**589**

Note 7. Financial Income/Expenses

Amounts in NOK thousand	2021	2020
Interest income	175	66
Other financial income	64	11
Financial income	**239**	**77**
Interest expenses	826	248
Other financial expenses	181	12
Financial expenses	**1,007**	**261**
Net financial items	**(768)**	**(184)**

Note 8. Tax

Amounts in NOK thousand	2021	2020
Income tax payable	511	-
Deferred tax income	-	-
Total income tax expense	**511**	-

Specification of deferred tax balances	**2021**	**2020**
Operating equipment	(60)	5,254
Intangible assets	-	-
Leases	108	50
Receivables	(6)	-
Tax losses carried forward	30,265	11,786
Other	107	-
Net deferred tax assets/-liabilites	30,414	17,090
Valuation allowance	(30,341)	(17,090)
Total deferred taxes	**73**	-
Carrying value deferred tax assets	**(73)**	-
Carrying value deferred tax liabilities	-	-

Changes in net deferred tax assets/liabilities	**2021**	**2020**
As of 1 January	-	-
recognised in the statement of profit/(loss)	-	-
Other	(73)	-
As of 31 December	**(73)**	-

Reconciliation of effective tax rate:	**2,021**	**2,020**
Net income/(loss) before tax	(105,528)	(31,217)
Expected income tax according to nominal tax rate 22% (2020 - 22%)	(23,629)	(6,868)
Expected income tax according to nominal tax outside Norway	495	-
Adjusted for the tax effect of the following items:	-	-
Permanent differences	7,436	(330)
Adjustment of deferred tax assets not recognised	16,208	7,198
Income tax expense (income)	**511**	-
Effective tax rate	**-0.5%**	**0.0%**

Note 9. Segments

The group's business is managed by two segments – Elop Technology and Simplifai – which are monitored separately. The internal management reports provided by management to the Group's Board of Directors, which is the groups decision maker, is in accordance with this structure. The following main segment information is provided to the Board of Directors.

Amounts in NOK thousand	Elop Technology	Simplifai	Unallocated/ eliminated	Total Group
Revenue	266	12,801	-	13,066
Internal revenue	96	9,017	(9,113)	-
Total revenue	**362**	**21,818**	**(9,113)**	**13,066**
EBITDA	**(28,446)**	**(12,384)**	**(21,401)**	**(62,231)**
Depreciation and amortisation	4,547	12,917	2,129	19,594
Impairment loss	-	22,936	-	22,936
Operating profit/(loss) (EBIT)	**(32,994)**	**(48,236)**	**(23,530)**	**(104,760)**
Capitalised development	**22,564**	**26,381**	-	**48,945**
Long term assets	46,071	141,423	4,113	191,608
Short term assets	82,678	80,638	(22,581)	140,735
Total assets	**128,749**	**222,061**	**(18,468)**	**332,343**
Non-current liabilities	4,207	20,277	(8,425)	16,058
Current liabilities	85,167	46,457	(102,783)	28,841
Total current liabilities	**89,373**	**66,734**	**(111,209)**	**44,899**

Note 10. Goodwill and intangible assets

Elop Technology and Simplifai develops technology/software solution. The companies capitalise directly registered wage costs, project-related costs regarding hired services from approved research and development institutions and other partners in addition to direct travel and diet costs on development projects as an intangible asset. Capitalised costs have been reduced with received grants. The group has received grants from Innovasjon Norway and Skattefunn in 2021.

All goodwill of NOK 117 050 is allocated to the cash-generating units Simplifai ("CGU"). The CGUs was determined in the purchase price allocation done in connection with Elop AS' acquisition on 18 January 2021 of Simplifai AS. Carrying amount of Simplifai was NOK 178 047 thousand as of 31 December 2021.

Goodwill arising from the acquisitions of Simplifai AS is mainly attributable to the technology of the acquired businesses (refer note 11). The goodwill amounts have been measured on a provisional basis. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised. Goodwill is tested for impairment at least annually, or when there are indications of impairment. Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculations requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculated present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The company has completed an assessment of impairment indicators and performed an impairment test for those assets and cash generating units (CGUs) where impairment indicators have been identified.

The following assumptions were used:

Amounts in NOK thousand	Developed technology	Acquired technology	Customer relations	Patents	Goodwill	Total
Cost at 1 January 2020	**11,858**	**-**	**-**	**515**	**-**	**12,373**
Additions	23,341	-	-	-	-	23,341
Grants	(7,024)	-	-	-	-	(7,024)
Cost at 31 December 2020	**28,175**	**-**	**-**	**515**	**-**	**28,690**
Additions	22,564	26,381	-	-	-	48,945
Business combination	-	27,983	7,100	-	117,050	152,133
Grants	(4,278)	(5,335)	-	-	-	(9,613)
Cost at 31 December 2021	**46,461**	**49,030**	**7,100**	**515**	**117,050**	**220,156**
Amortisation, depreciation and impairment						
Accumulated at 31 December 2020	-	-	-	-	-	-
Amortisation and depreciation this year	3,775	11,254	710	-	-	15,739
Impairment this year	-	-	-	-	22,936	22,936
Accumulated at December 2021	**3,775**	**11,254**	**710**	**-**	**22,936**	**38,675**
Carrying amount at 31 December 2020	**28,175**	**-**	**-**	**515**	**-**	**28,690**
Carrying amount at 31 December 2021	**42,686**	**37,776**	**6,390**	**515**	**94,114**	**181,481**
Amortisation method	Straight-line	Straight-line	Straight-line	N/A	N/A	
Estimated useful life	5-10 years	4-10 years	10 years			

Cash flow projections and assumptions

A 5 year forecast of discounted cash flows plus a terminal value (Gordon's growth model) was used to determine net present value of the CGU. Discounted cash flows were calculated before tax. Estimated future cash flows for the are estimated based on forecast for 2022 and long-term estimates. The estimated cash flows for year 2022 is based on an update after the budget. The estimated cash flows in the years 2023-2026 are based on a forecast for the CGU. The projected cash flows are based on Simplifai's go to market strategy, the expected development in the total overall market, the CGUs performance and that Simplifai over time will reach a margin level in line with what other businesses within the SaaS industry

Cash flows have been used over a period of five years as management believes this reflects a reasonable time horizon for management to monitor the trends in the business. After five years a terminal growth rate has been set to 2.0% for the process automation market. The estimated terminal long-term growth is mainly dependent on overall market growth for demand for our services and the CGUs ability to recruit the right personnel and its ability to achieve its business plan.

Discount rate

The discount rate used is the WACC (Weighted average cost of capital) using CAPM (capital asset pricing model). The discount rate is derived as the weighted average cost of capital (WACC) for a similar business in the same business environment. The input data is gathered from representative sources and this is used for management's best estimate of WACCs. All parameters were set to reflect the long term period of the assets and time horizon of the forecast period of the cash flows.

Key inputs in determining the WACC:

- Risk free rate: 10 year government yield
- Asset beta: Based on selected peer group consisting of companies with statistical data for the last 5 years (1.2)
- Capital structure: Equity ratio of 95%

The cash flows were discounted using WACC of 14.0%.

Impairment test results and conclusion:

The estimated enterprise value of NOK 140m on a cash and debt free basis equals the enterprise value on a cash and debt free basis specified in the share purchase agreement ("SPA") signed on 8th of June 2022 in connection with the contemplated sale of Simplifai. The impairment test indicates a requirement to write down the goodwill with NOK 22 937 thousands. Impairment charge on goodwill is included in depreciation, amortisation and impairment expenses in the consolidated statement of profit and loss.

To test the sensitivity of the results of the impairment review, the calculations have been re-performed using the following assumptions:

- An increase of discount rate of 2.0% points (after tax)
- A reduction of terminal growth rate of 1.0% point (to 1.0% growth)
- A reduction in EBITDA margin in terminal year of 3%

A combined change of all these assumptions in the sensitivity analysis would result in a write down of a total of NOK 100 147 thousands.

Note 11. Business combination

The purchase price allocation is identified assets and liabilities are set out in the table below:

Amounts in NOK thousand	
Purchase consideration	
Cash consideration	1,485
Issuance of shares	146,978
Total purchase consideration	**148,463**
Customer relationship	7,100
Techonolgy	27,983
Other PP&E	442
Other non-current assets	809
Current assets	1,100
Cash and cash equivalents	10,603
Deferred tax liablility	-
Non-current liabilities	(12,000)
Current liabilities	(4,624)
Total net identifiable assets acquired as fair value	**31,413**
Consideration	148,463
Goodwill	**117,050**
Net cash inflow arising on acquisition	
Cash consideration	(1,485)
Less:	
Cash and cash equivalent balances acquired	10,603
Net cash inflow arising on acquisition	**9,118**

Goodwill

The goodwill is related to the acquisition of Simplifai. No tax depreciation of goodwill.

Impact of acquisitions on the results of the group

SImplifai was consolidated 18 January 2021.

If the acquistion had occured on 1 January 2021, consolidated pro-forma revenue and net loss after tax for the year ended 31 December 2021 would have been NOK 13,784 thousands and NOK 106,610 thousand respectively.

Note 12. Property, plant & equipment

Amounts in NOK thousand	Equipment	Building fittings and fixtures	Equipment and fixtures
Cost at 1 Jan 2020	**301**	**65**	**366**
Additions	838	376	1,213
Disposals	-	-	-
Cost at 31 December 2020	**1,139**	**441**	**1,580**
Additions	2,333	-	2,333
Aquisition of subsidiary	442	-	442
Disposals	-	-	-
Cost at 31 December 2021	**3,914**	**441**	**4,355**
Depreciations and impairment			
Accumulated at 31 December 2019	**82**	**28**	**110**
Depreciations for the year	96	7	103
Impairment	-	-	-
Disposals	-	-	-
Accumulated at 31 December 2020	**178**	**35**	**213**
Depreciations for the year	756	81	837
Impairment	-	-	-
Disposals	-	-	-
Accumulated at 31 December 2021	**934**	**116**	**1,050**
Carrying amount at 31 December 2019	**220**	**37**	**257**
Carrying amount at 31 December 2020	**961**	**406**	**1,367**
Carrying amount at 31 December 2021	**2,980**	**325**	**3,305**
Depreciation method	Linear	Linear	Linear
Estimated useful life	3-5 years	In line with lease contract	3-5 years

Note 13. Leases

Right of use assets

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Premises	6,747	7,253
Total	**6,747**	**7,253**
Useful life	3-4 years	3-4 years
Depreciation method	Straight-line	Straight-line

Lease liabilities

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Current	3,418	2,154
Non-Current	3,903	5,326
Total	**7,321**	**7,480**

Amounts recognised in the statement of profit or loss

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Depreciation of right of use asset	3,016	317
Interest expense	236	33
Expenses for short-term leases	263	1,009
Expenses for leases of low-value	4	18

Maturity profile lease liability at 31 December 2021

Amounts in NOK thousand	< 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Lease liabilities	3,575	3,542	424	-	7,541

Maturity profile lease liability at 31 December 2020

Amounts in NOK thousand	< 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Lease liabilities	2,339	5,200	-	270	7,810

Reconciliation of right of use assets

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Opening balance 1 January	7,253	-
New leases	2,280	7,570
Adjustments	230	-
Depreciation	3,016	317
Closing balance 31 December	**6,747**	**7,253**
Useful life	3-4 years	3-4 years
Depreciation method	Straight-line	Straight-line

Reconciliation of lease liabilities

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Opening balance 1 January	7,480	-
New leases	2,280	7,570
Adjustments	230	-
Lease payments in the period	2,906	124
Interests	236	33
Closing balance 31 December	**7,321**	**7,480**

The capitalised leases are related to property. The average IBR is 3.0%.

NOK 2,154 thousand has been re-classified from non current liabilities to current liabilities in the 2020 financial statement.

Note 14. Trade receivables

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Trade receivables	4,526	-
Loss allowance	(20)	-
Total trade receivables, net	**4,506**	-

Amounts in NOK thousand	Total	Not due	up to 1m	1 -3 month	3 - 6 month	Over 6 months
Trade receivables 31 December 2021	4,526	1,262	2,594	320	347	4
Expected loss rate		0.0%	0.2%	1.0%	3.0%	20.0%
Loss allowance	20	-	5	3	10	1

Note 15. Cash and cash equivalents

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Cash at bank and in hand	124,237	116,272
Total cash and cash equivalents	**124,237**	**116,272**
Restricted cash included in the above:		
Withholding tax in relation to employee benefits	2,203	674
Deposit	1,646	-
Sum	**3,849**	**674**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Cash and cash equivalents largely comprise bank balances denominated in Norwegian Krone, US Dollars, Indian Rupees and EURO.

The Group has a cash pool arrangement with Nordea Bank with Elop as the top acccont owner amounted to NOK 108 million (NOK 0 million) per 31 December 2021. The parent company's balance in the cash pool is classified as cash, and subsidiareis receivable/liability from/to subsidiaries. See Elop AS stand-alone financial statement, note 7. Eliminated on Group level.

Note 16. Share based payments

Options granted and terminated in 2021	
Number of options granted	5,900,000
Aveage contractual life (years)	3.31
Average strike price (NOK)	6.77
Terminated/lapsed	700,000

Overview of outstanding option	Weighted average exercise price (NOK)	No of share options
Outstanding options 1 January 2021	4.06	900,000
Outstanding Options 31 December 2021	6.66	6,100,000
Exercisable at 31 December 2021	7.18	2,500,000

Options granted by strike price	Strike price (NOK)	No of share options
	3.44	200,000
	6.30	3,600,000
	7.50	2,300,000
		6,100,000

Share-based compensation reserve The share based compensation reserve arises on the grant of share options to employees. The company granted a total of 5,900,000 options during 2021 for shares in the Company (the "Options") to certain key employees of the Company and its subsidiaries. Each option will give the holder the right to acquire one share in Elop AS. The options may be settled via shares held by Elop, newly issued shares or through cash settlement. The company has in addition 200,000 outstanding options related to a share incentive scheme to the former CEO which was granted in 2019.

Set out above are summaries of outstanding options.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. The Group recognised total expenses of NOK 9.7 million and NOK 0,2 million arising from share-based payment in 2021 and 2020 respectively.

These fair values for share option granted during the year were calculated using the Black-Scholes-Merton option pricing model.

The inputs in the model were as follows:

Amounts in NOK	2021	2020
Weighted average share price	6.42	-
Weighted average exercise price	6.77	-
Expected volatility	52.08%	-
Expected life	2.9	-
Risk free rate	0.84%	-
Expected dividend yield	0%	-

Note 17. Equity

Share capital

Amounts in NOK thousand	Number of shares	Share capital (NOK)	Share premium (NOK)
Balance at 1 January 2020	**40,026**	**2,001**	**27,782**
Issued during the year	30,276	1,514	157,934
Emission costs	-	-	(4,496)
Balance at 31 December 2020	**70,303**	**3,515**	**181,220**
Issued during the year	47,701	2,385	253,593
Emission costs	-	-	(4,523)
Net purchase of treasury shares	-	-	(2,506)
Balance at 31 December 2021	**118,004**	**5,900**	**427,785**

Specification of other reserve

Amounts in NOK	Convertible debt equity componant reserve	Sharebased payment reserve	Total other reserve
Balance at 1 January 2020	**76**	**4,280**	**4,356**
Share options/warrants	-	216	216
Balance at 31 December 2020	**76**	**4,496**	**4,572**
Share options/warrants	-	9,682	9,682
Balance at 31 December 2021	**76**	**14,178**	**14,254**

Each ordinary shares have a par value of NOK 0.05 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and on a poll each share is entitled to one vote. The company does not have a limited amount of authorised capital. During 2021 the company issued in total 47,700,893 shares, where of 2,400,000 and 20,300,893 in January 2021 and 25,000,000 in October 2021. The Company incurred NOK 4.5 million (2020: NOK 4.5 million) towards transaction costs that were directly attributable to the issuance of shares.

The table below shows the development in the Company's share capital in year 2020 and 2021.

Amounts in NOK thousand Date registration	Type of change	New shares issued	Change share capital	Change share premium
28 January 2020	Share capital increase	11,260,980	563	48,647
14 February 2020	Share capital increase	2,365,460	118	10,219
16 July 2020	Private placement	16,650,002	833	99,068
Net change in 2020		**30,276,442**	**1,514**	**157,934**
15 January 2021	Warrants exercised	2,400,000	120	8,880
26 January 2021	Acquisition of Simplifai	20,300,893	1,015	145,963
13 October 2021	Private placement	25,000,000	1,250	98,750
Net change in 2021		**47,700,893**	**2,385**	**253,593**

Note 18. Borrowings

Amounts in NOK thousand	31 December 2021		31 December 2020	
	Current	Non-current	Current	Non-current
Bank loans	3,717	12,155	607	4,214
Other bank borrowings	-	-	-	-
Total	**3,717**	**12,155**	**607**	**4,214**

NOK 607 thousand has been re-classified from non current liabilities to current in the 2020 financial statement.

Table below summarizes loans held from Innovasjon Norway and Nordea held by subsidiaries in the group.

Innovasjon Norway	Amount	Interest %[1]	Final instalment	Borrower
Loan "2017/139318"	900	3.95%	2022	Simplifai
Loan "2018/105049"	600	3.95%	2022	Simplifai
Loan "2020/513469"	2,500	4.20%	2026	Simplifai
Loan "2017/134608"	2,164	4.45%	2027	Elop Technology
Loan "2019/106084"	2,375	4.45%	2026	Elop Technology

Nordea bank	Amount	Interest %[1]	Final instalment	Borrower
Loan #1	3,334	NIBOR + 5.0%	2026	Simplifai
Loan #2	4,000	NIBOR + 3.8%	2026	Simplifai

1) Nominal interest rate on loan

Note 19. Trade payables

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Trade payables	4,004	9,853
Other current payables, accrued expenses and public duties	17,191	7,388
Total trade and other payables	**21,195**	**17,241**

Trade payables are non-interest bearing and are normally settled on 14–30 day terms. For an overview of the term date of trade and other payables, reference is made to note 25.

NOK 2,153 thousand has been re-classified from current payables, accrued expenses and public duties to current lease liability in the 2020 financial statement.

Note 20. Financial risk management

The Group's activities are exposed to a variety of risks.

Credit riskCredit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Credit risk with respect to trade receivables and contract assets is limited by a relative high share of prepayments. Customer credit risk is managed by each subsidiary in the Group.

The requirement for an impairment is analysed at each reporting date on an individual basis for major customers. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables . To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due with reference to past default experience of the debtor, an analysis of the debtor's current financial position and general current and forecast economic conditions of the industry in which the debtors operate. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. It is the managements opinion that there is no material credit risk connected to the Group's assets.

Refer to note 14 for an overview of the ageing profile of trade receivables and the expected loss provision.

Foreign exchange riskForeign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency), the Group's net investments in foreign subsidiaries, and the Group's foreign currency denominated cash depos. The group expenses are mainly in NOK and INR.

The bank accounts in currencies other than the functional currency will expose the group to foreign currency risk. Foreign bank accounts in group at year end 2021 were held in USD and with a limited amount. Changes in the USD exchange rate will have the the following effect on the profit and loss of the group.

Changes in currency exchange rates Amount in USD thousands	+5% change in rate	+5% change in rate
31-Dec-21		
US Dollars (USD)	6	(6)
31-Dec-20		
US Dollars (USD)	-	-

Interest-rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relate primarily to the Group's debt with floating interest rates and Group's cash and cash equivalent with floating rates. Both risks are considered to have limited effect on the Group's financial statements.

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. Surplus liquidity is primarily placed on a bank deposit account. Based on the current cash position, the Group assesses teh liquidity risk to be low. Refer to note 25]for an overview of the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Capital structure and equity

The primary focus of the Group's capital management is to ensure that it maintains an acceptable capital ratio in order to support its business operations and safequart ability to continue as a going concern, so that it can proivde return for shareholders and benefits for other stateholders. The financial statement is prepared on the basis of going concern.

Regulatory risk

The group is exposed to risks related to changes in agreements, taxation or operational regulations. This risk is difficult to hedge against apart from securing that operations at all times are incompliance with the prevailing rules and regulations.

Amounts in NOK thousand	Measurement category	Carrying amount		Fair value	
		31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
Financial assets					
Trade and other receivables	Amortised costs	15,766	10,439	N/A	N/A
Cash and cash equivalents	Amortised costs	124,237	116,272	N/A	N/A
Total		**140,003**	**126,711**	**N/A**	**N/A**
Financial liabilites					
Trade and other payables	Amortised costs	15,764	18,124	N/A	N/A
Bank borrowings	Amortised costs	15,872	4,821	N/A	N/A
Total		**31,637**	**22,946**	**N/A**	**N/A**

There is no relaible way of estimaing the fair value so it is not disclosed here.

Note 21. Related parties

Balances and transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation, and are not disclosed in this note. Transactions with related parties are carried out on an arm's length basis.

Management compensation 2021

Amounts in NOK thousand	Position	Served since	Salary	Pension	Other	Sum
Øivind Horpestad	CEO	2021	1,965	41	14	2,020
Bård Myrstad	COO	2021	1,207	94	9	1,309
Kim Boman	CFO	2021	841	29	12	882
Daniel Kohn	CCO	2021	1,124	94	8	1,225
Imran Tamboli	CTO	2021	1,207	94	18	1,319
Ho Kwan Leung	CPO	2021	1,207	94	9	1,309
Sum management			**7,551**	**445**	**69**	**8,065**
Kjersti Kanne	CEO	2019	1167	59	3	1,229
Torbjørn Blom Hagen	CFO	2019	2337	49	5	2,391
Benedicte Taugbøl	Director Digital Solutions	2020	864	32	4	900
Per Arne Haug	Director BD&Sales	2020	1011	66	6	1,083
Sum former mgmt			**5,379**	**206**	**62**	**5,603**
Sum total			**12,930**	**651**	**131**	**13,668**

Gimle Invest AS, owned by CEO Øivind Horpestad, has provided consultancy services to Elop AS for NOK 500,000 in 2020 and for NOK 100,000 in 2021.

Board fees

Amounts in NOK thousand	Position	Served since	2020	2021
Øivind Horpestad	Chairman of the Board	2019	150	200
Ketil Skaget	Board member	2016	100	150
Kristian Lundkvist	Board member	2019	100	150
Lars Nilsen	Board member	2020	100	150
Erik Langaker	Board member	Served til AGM 2021	100	150

Management compentation in 2020

Amounts in NOK thousand	CEO	Other key managment	Board
Salaries and wages	1,602,272	-	550,000
Post-employment benefits	-	-	-
Termination benefits	-	-	-
Other benefits	239,888	-	-
Total key management compensation	**1,842,160**	-	**550,000**
No loans or guarantees have been granted to senior executives, shareholders, etc.			

Number of shares held by the management and the Board of Directors

Management	Position	Served since	Shares	Options	Warrants
Øivind Horpestad	CEO	2021	8,866,734	2,300,000	0
Bård Myrstad	COO	2021	4,519,280	600,000	0
Kim Boman	CFO	2021	36,050	600,000	0
Daniel Kohn	CCO	2021	1,091,312	600,000	0
Imran Tamboli	CTO	2021	1,807,213	600,000	0
Ho Kwan Leung	CPO	2021	4,463,397	600,000	0
Sum management			**20,783,986**	**5,300,000**	**0**

Board of Directors	Position	Served since	Shares	Options	Warrants
Øivind Horpestad	Chairman of the Board	2019	8,866,734	2,300,000	as above
Ketil Skaget	Board member	2016	12,571,081	-	-
Kristian Lundkvist	Board member	2019	776,496	-	300,000
Lars Nilsen	Board member	2020	2,688,330	-	-
Sum Board of Directors			**24,902,641**	**2,300,000**	**300,000**

1. The shares are held through Gimle Invest and in person
2. The shares are held through BHM Holding AS and in person
3. The shares are held through Danoni AS and in person
4. The shares are held through Nimbustech and in person
5. The shares are held through HKL Holding AS and in person
6. The shares are held through Melandsø Invest
7. The shares are held through Zono Invest AS and Middelborg Invest AS
8. The shares are held through Lani Invest AS

Note 22. Number of shares and Shareholders

Ownership structure

The list of top 20 shareholders below is based on the shareholder register as per 31 December 2021. Actual shareholding may deviate due to the use of nominee accounts

Largest shareholders as of 31 December 2021

Name of shareholder	Number of shares	% of shares
Melandsø Invest As	12,771,081	10.8 %
Gimle Invest As	8,830,684	7.5 %
Sogn Invest As	6,436,025	5.5 %
The Bank Of New York Mellon Sa/Nv	6,036,326	5.1 %
Tigerstaden Invest As	4,785,025	4.1 %
Zono Invest As	4,700,000	4.0 %
Bhm Holding As	4,483,230	3.8 %
Hkl Holding As	4,452,582	3.8 %
Lani Invest As	3,563,330	3.0 %
Mp Pensjon Pk	3,050,906	2.6 %
Songa Capital As	2,673,323	2.3 %
Nordnet Livsforsikring As	2,477,975	2.1 %
Nimbustech As	1,807,213	1.5 %
Middelborg Invest As	1,531,842	1.3 %
Clearstream Banking S.A.	1,385,807	1.2 %
Abn Amro Global Custody Services N	1,148,711	1.0 %
Danoni As	1,055,262	0.9 %
Telecom As	1,000,000	0.8 %
Petter Askheim Kristiansen	953,214	0.8 %
Bergen Kommunale Pensjonskasse	800,000	0.7 %
Number of shares top 20 shareholders	**73,942,536**	**62.7%**
Total number of shares in the company	**118,003,813**	**100.0 %**

At 31 December 2021, the company has 2 365 shareholdersand 9.9% of shares of the Company wre held by foreign registered shareholders.

Note 23. List of subsidiaries

The Group's principal subsidiaries at 31 December 2021 are set out below. Unless otherwise indicated, all shareholdings owned directly or indirectly by the Company represent 100% of the issued share capital of the subsidiary and the share capital is comprised of ordinary shares. All entities primarily operate in their country or incorporation.

Name of entity	Country of incorporation	Ownership interest 2021	Ownership interest 2020	Voting % 2021	Voting % 2020
Elop Technology AS[1]	Norway	100%	0%	100%	0%
Elop Technology Germany Gmbh	Germany	100%	0%	100%	0%
Simplifai AS[1]	Norway	100%	0%	100%	0%
Simplifai Cognitive Services Private Ltd	India	90%	90%	90%	90%
Simplifai IT Solutions PvT Ltd	India	90%	0%	90%	0%
Simplifai Ukraine LLC	Ukraine	100%	100%	100%	100%

1) Investments held directly by Elop AS

Note 24. EPS

Amounts in NOK unless specified	2021	2020
Basic earnings per share attributable to ordinary equity holders of the company	-1.09	-0.51
Diluted earnings per share attributable to ordinary equity holders of the company	-1.03	-0.51
Profit/(loss) for the year attributable to ordinary shareholders		
used for calculating basic earnings per share (NOK 1,000)	-106,183	-31,217
used for calculating dilluted earnings per share (NOK 1,000)	-106,183	-31,217
Numbers		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	97,102,667	34,360,530
Weighted average number of shares outstanding for diluted earnings per share*)	103,202,667	34,360,530

*In 2021 the Company has 6 100 000 potential dilutive shares from share options and warrants outstanding which would have had a dilutive effect on EPS of 6.28%.

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Note 25. Financial instruments

The table summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Amounts in NOK thousand	<1 year	Between 1 - 5 year	> 5 year	Carrying amount
31 December 2020				
Trade and other payables	14,480	-	-	14,480
Bank borrowings	607	3,428	786	4,821
Lease liabilities	2,154	5,056	270	7,480
31 December 2021				
Trade and other payables	21,195	-	-	21,195
Bank borrowings	3,717	12,155	-	15,872
Lease liabilities	3,575	3,966	-	7,541

Financial assets
Management assessed that the fair values of cash and cash equivalents, trade receivables and other current assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial liabilities
The fair values of the Group's loans and borrowings are determined by using the DCF method using a discount rate that reflects the borrowing rate as at the end of the reporting period. The fair values of the Group's loans and borrowings are assessed to be in all material aspects similar to carrying amount.

Note 26. Events after the balance sheet date

In February 2022 Russia invaded Ukraine. Simplifai has a subsidiary with an office in Kiev, Ukraine where staff has mainly worked remotely over the past years. The operations of its subsidiary have been impacted by the war. Staff have moved out of the Kiev region either to Western Ukraine or to neighbouring countries. The IT operations have been largely able to continue with staff working remotely from more safe areas. However, there is there is significant uncertainty with regards to the effect of the war going forward. Simplifai Ukraine LLC held 1.6 million Ukrainian Hryvnia in an international bank as of 31 December 2021.

Elop AS received an non-binding offer for the acquisition of 100 percent of the shares in its operating subsidiary Simplifai on 4 May 2022. The transaction remains subjects to customary closing conditions, due diligence and final transaction documentation.

Note 27. Announcing a plan to discontinue an operation

On 4 May 2022 Elop announced an intention ot divest its operating subsidiary Simplifai to a consortium consisting of the Simplifai founders and backed by a group of financial investors. Elop AS has received a cash consideration offer for the acquisition of 100 percent of the shares in its operating subsidiary Simplifai. The purchase price for the shares of Simplifai in the offer based on an enterprise value, on a debt and cash-free basis, of NOK 140 million. NOK 50 million of the final purchase price shall constitute a seller's credit from Elop to be settled by the Buyer 30 months from closing of the transaction. On 8 June 2022 Elop announced the sale of Simplifai and the signing of a share purchase agreement. The transaction is expected to close on 30 June 2022.

The assessment to sell Simplifai taken in May 2022, means that the criteria to classify as held for sale was not met at the balance sheet date and the event is a non-adjusting post balance sheet event.

Parent company financial statements and notes

Statement of profit or loss

Amounts in NOK thousand	Note	2021	2020
Revenue	2	8,330	-
Other operating revenue		-	-
Total revenue		**8,330**	-
Cost of sales		-	145
Employee benefit expenses	3	18,700	9,453
Other operating expenses	4	10,711	21,016
Depreciation and amortisation	11, 13	2,129	420
Operating profit/(loss) (EBIT)		**(23,211)**	**(31,033)**
Financial income	5	721	77
Financial expenses	5	(48,587)	(261)
Net financial items		**(47,866)**	**(184)**
Profit/(loss) before income tax		(71,077)	(31,217)
Tax income +/ tax expense -	6	-	-
Profit/(loss) for the year		**(71,077)**	**(31,217)**

Statement of comprehensive income

Amounts in NOK	Note	2021	2020
Profit/(loss) for the year		**(71,077)**	**(31,217)**
Other comprehensive income:			
Items that might be subsequently reclassified to profit or loss:			
-			
Item that are not reclassified to profit or loss:			
-			
Total comprehensive income/(loss) for the year		**(71,077)**	**(31,217)**

Balance sheet

'Amounts in NOK thousand	Notes	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Intangible assets	11	-	28,690
Property, plant and equipment	11	445	1,367
Right of use assets	13	3,959	7,253
Investment in subsidiaries	10	227,618	-
Total non-current assets		**232,022**	**37,310**
Current assets			
Inventory		-	164
Receivables from Group Companies	9	118,153	-
Other receivables		229	10,439
Cash and cash equivalents	7	110,239	116,272
Total current assets		**228,622**	**126,875**
TOTAL ASSETS		**460,644**	**164,185**
EQUITY AND LIABILITIES			
Equity			
Share capital	8	5,900	3,515
Treasury shares		(30)	-
Share premium	8	427,755	181,220
Other equity reserves		12,766	4,572
Retained earnings (deficit)		(125,741)	(54,664)
Total equity		**320,650**	**134,643**
Non-current liabilities			
Non-current liabilities to financial institutions	12	-	4,214
Non-current lease liabilities	13	2,254	5,326
Total non-current liabilities		**2,254**	**9,540**
Trade payables		951	9,853
Current liabilities to financial institutions	12	-	607
Current lease liability	13	2,196	2,154
Public fees payable	6	2,804	1,271
Short term liabilities to group companies	9	129,608	-
Other current liabilities		2,182	6,117
Total current liabilities		**137,740**	**20,002**
Total liabilities		**139,994**	**29,542**
Total equity and liabilities		**460,644**	**164,185**

Oslo, 22 June 2022

(Sign)
Øivind Omar Horpestad
Chairman of the Board

(Sign)
Lars Nilsen
Board member

(Sign)
Kristian Gjertsen Lundkvist
Board member

(Sign)
Ketil Melandsø Skaget
Board member

Statement of changes in equity

Amounts in NOK thousand	Notes	Share capital	Treasury shares	Share premium	Share-based compensation reserve	Retained earnings	Total equity
Balance at 1 January 2020		**2,001**	-	**27,782**	**4,356**	**(23,447)**	**10,691**
Profit/(loss) for the year		-	-	-	-	(31,217)	(31,217)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income/ (loss) for the year		-	-	-	-	(31,217)	(31,217)
Capital increase 28.01.2020	8	563	-	48,647	-	-	49,211
Capital increase 14.02.2020	8	118	-	10,219	-	-	10,337
Capital increase 16.07.2020	8	833	-	99,068	-	-	99,900
Issue costs		-	-	(4,496)	-	-	(4,496)
Convertible debt interest		-	-	-	-	-	-
Share options/warrents		-	-	-	216	-	216
Transfer from share premium		-	-	-	-	-	-
Balance at 31 December 2020		**3,515**	-	**181,220**	**4,572**	**(54,664)**	**134,643**
Profit/(loss) for the year		-	-	-	-	(71,077)	(71,077)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income/ (loss) for the year		-	-	-	-	**(71,077)**	**(71,077)**
Adjustment to opening balance		-	-	-	46	-	46
Capital increase 15.01.2021	8	120	-	8,880	-	-	9,000
Capital increase 21.01.2021	8	1,015	-	145,963	-	-	146,978
Capital increase 13.10.2021	8	1,250	-	98,750	-	-	100,000
Issue costs		-	-	(4,523)	-	-	(4,523)
Share purchase		-	(55)	(4,867)	-	-	(4,922)
Share sale		-	25	2,331	-	-	2,356
Share options/warrents		-	-	-	8,148		8,148
Balance at 31 December 2021		**5,900**	**(30)**	**427,755**	**12,766**	**(125,741)**	**320,650**

Statement of cash flows

Amounts in NOK thousand	Notes	2021	2020
Cash flow from operating activities			
Profit (loss) before taxes		(71,077)	(31,217)
Adjustments for			
Depreciation and amortisation	11,13	2,129	420
Write down of financial assets	5	48,353	-
Share-based expenses	3	8,148	216
Change in trade and other receivables	14	2,485	13
Change in inventory		-	(164)
Change in trade and other payables	15	(8,902)	8,303
Change in other receivables		16,114	(4,555)
Interest income		(711)	(66)
Effect of cash pool		(26,850)	-
Interest cost		156	248
Cashflow from operating activities		**(30,155)**	**(26,807)**
Investment in property, plant and equipment	11	(512)	(1,213)
Investment in intangible assets	11	-	(16,317)
Investment by acquisition of subsidiary	10	(1,485)	-
Cash effect demerger Elop Technology AS		(63,761)	-
Loan to subsidiary	9	(10,000)	-
Cashflow from investing activities		**(75,758)**	**(17,530)**
Dividends received		-	5
Lease payment - IFRS 16	13	(1,907)	(124)
Repayment of other debt (Non-current / Current)		-	(2,089)
Purchase of treasury shares		(4,922)	-
Sale of treasury shares		2,356	-
Interest received		31	66
Interest paid		(156)	(215)
Capital increase received funds	8	104,477	154,952
Cashflow from financing activities		**99,880**	**152,595**
Net increase/(decrease) in cash and cash equivalents		(6,033)	108,257
Cash and cash equivalents in the beginning of period	7	116,272	8,014
Cash and cash equivalents as of 31 Dec	**7**	**110,239**	**116,272**

Notes to the parent company financial statements

Note 1. Summary of significant accounting policies

General information

Elop AS ("the Company") is a limited liability company domiciled in Norway with its registered office at Drammensveien 133, 0160, Oslo, Norway. The Company is listed on Euronext Growth. The Company is principally an investment holding company. Its other activities include provision of management services to its subsidiaries.

The principal activities of the subsidiaries are disclosed in note 1 to the Elop group's consolidated financial statements.

The Company's financial statements for the accounting year 2021 have been prepared in accordance with Simplified International Financial Reporting Standards (simplified IFRS) approved by the Norwegian Ministry of Finance on 21 of January 2008 pursuant to Norwegian Accounting Act section 3-9, 5th paragraph.

The Company has used the exception criteria in simplified IFRS, §3-1, nr 3 regarding dividends and group contribution. Dividends/group contributions to shareholders/from subsidiaries are accounted for in accordance with Norwegian Generally Accepted Accounting Policies. In accordance with the Norwegian regulations on simplified application of international accounting standards § 2-3 the financial statement is deviating from the IFRS requirement for presentation of financial position at the beginning of the earliest comparative period. In accordance with IFRS 8 and IAS 33, the Group chooses not to present segment information and earnings per share, respectively.

Application of simplified IFRS

This is the Company's first time simplified application of international accounting standards. The Company applied full IFRS in year 2020.

In connection with the transition to the simplified application of IFRS, the Company has not identified any differences to previously reported figures. As such there is not any effect of the transition to the explained in this note.

Accounting Principles

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duty.

Foreign currency translation

Foreign currency transactions are translated using the year end exchange rates. Transactions involving foreign currencies are translated into the functional currency using the exchange rates that are in effect at the time of the transactions. Gains and losses that arise from the payment of such transactions and the translation of monetary items in foreign currencies at the rates in effect on the date of the balance sheet are recognised in the income statement. The Company uses the Norwegian krone (NOK) as both its functional and presentation currency.

Income tax

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

To the extent Group contribution is not registered in the profit and loss, the tax effect of Group contribution is posted directly against the investment in the balance.

Investment in subsidiaries

Investments in subsidiaries are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental and deemed necessary by generally accepted accounting principles. Write-downs are reversed when the cause of the initial write-downs are no longer present.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors. Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognised at nominal value. Fixed assets are valued by the cost of acquisition, in the case of non-incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognised at nominal value.

Pensions

The pension contributions are charged to expenses as they are incurred.

Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the income statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date.

Contingent losses that are probable and quantifiable is expensed as occurred.

Property, plant and equipment

Property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment charges. Depreciation is calculated on a straight-line basis over the assets' expected useful life and adjusted for any impairment charges. Ordinary repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit. Major assets with different expected useful lives are reported as separate components.

Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments. Contracts may contain both lease and non-lease components. When insignificant, the company do not split out the service element. The lease agreements do not impose any covenants. The lease payments are discounted using the company's incremental borrowing rate, being the rate that we would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease agreements are for rental of properties. The company has estimated the incremental borrowing rate to 3 %. The Company can be exposed to potential future increases in variable lease payments based on an index, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The right-of-use assets are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

The lease agreements include termination options and extension options. The termination option does not include a significant fee. It is the management intention to not early terminate the contract.

Cash flow statement

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

Note 2. Revenues

Amounts in NOK thousand	2021	2020
Management fees	8,330	-
Total	**8,330**	**-**

Note 3. Staff costs

Amounts in NOK thousand	2021	2020
Salaries and wages	5,610	10,597
Social security tax	2,916	1,680
Pension	715	325
Share option cost	8,148	216
Other personnel costs	1,311	652
Capitalised employee expenses	-	(4,018)
Total	**18,700**	**9,453**
Average full-time employees	4	14

Benefits to the CEO and infomation about the option program

Reference is made to note 21 in the consolidated financial statement.

Pension

The Company is required to have an occupational pension scheme in accordance with Norwegian legislation ("Lov om Obligatorisk Tjenestepensjon"). The Company's pension arrangements fulfil the requirements of this legislation.

The defined contribution plan had 19 members in 2021 and 21 members in 2020.

Note 4. Other operating expenses

Amounts in NOK thousand	2021	2020
Rental and leasing	804	981
Professional services	7,799	10,445
IT	690	1,245
Travel	65	309
Other operating expenses	1,250	5,412
Sales and marketing	103	2,622
Total other operating expenses	**10,711**	**21,016**

Auditor related fees

Amounts in NOK thousand	2021	2020
Fees for audit	389	236
Other assurance services	119	-
Tax advisory services	58	-
Fees for other services	419	353
Total remuneration to auditor, excluded VAT	**985**	**589**

Note 5. Financial income/expenses

Amounts in NOK thousand	2021	2020
Financial income		
Interest income on loan to related parties	680	-
Interest income from bank deposits	31	66
Foreign exchange gain	10	5
Other financial income	-	5
Total financial income	**721**	**77**
Finance expenses		
Interest expense	156	248
Write down	48,353	12
Other financial expenses	41	-
Foreign exhange loss	37	-
Total financial expenses	**48,587**	**261**
Net financial items	**(47,866)**	**(184)**

Note 6. Taxes

Amounts in NOK thousand	2021	2020
Income tax payable	-	-
Deferred tax income	-	-
Total income tax expense	-	-
Specification of deferred tax balances		
Operating equipment	(10)	5,254
Leases	108	50
Tax losses carried forward	15,048	11,786
Other	-	-
Net deferred tax assets/-liabilites	15,416	17,090
Valuation allowance	(15,416)	(17,090)
Total deferred taxes	-	-
Carrying value deferred tax assets	-	-
Carrying value deferred tax liabilities	-	-

Changes in net deferred tax assets/liabilities	**2021**	**2020**
As of 1 January	-	-
recognised in the statement of profit/(loss)	-	-
Other	-	-
As of 31 December	-	-

Reconciliation of effective tax rate:	**2021**	**2020**
Net income/(loss) before tax	(71,077)	(31,217)
Expected income tax according to nominal tax rate 22% (2020 - 22%)	(15,637)	(6,868)
Expected income tax according to nominal tax outside Norway	-	-
Adjusted for the tax effect of the following items:	-	-
Permanent differences	12,308	(330)
Effect from change in tax rate	-	-
Effect from not capitalised deferred tax asset	3,328	7,198
Other	-	-
Income tax expense (income)	**(0)**	-
Effective tax rate	**0.0%**	**0.0%**

Note 7. Cash and cash equivalents

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Cash at bank and in hand	110,239	116,272
Total cash and cash equivalents	**110,239**	**116,272**
Restricted cash in above figure		
Withholding tax account	365	674
Deposit	1,646	-
Sum	**2,011**	**674**

Elop has established a group cashpool where Elop AS formally is the account owner while Elop Technology AS and Simplifai AS are participants. The bank can setttle any withdrawal or cash balance against each other so that the net position represents the outstanding between the bank and Elop AS as of 31 December 2021 is NOK 108 million (2020: NOK 0).

Note 8. Equity and shareholders

Amount in NOK thousand	No of shares	Share capital	Share premium
Balance at 01 January 2020	**40,026,481**	**2,001**	**27,782**
Issued during the year	30,276,441	1,514	157,934
Emission costs	-	-	(4,496)
Balance at 31 December 2020	**70,302,922**	**3,515**	**181,220**
Issued during the year	47,700,893	2,385	253,593
Emission costs	-	-	(4,523)
Net purchase of treasury shares	-	-	(2,536)
Balance at 31 December 2021	**118,003,815**	**5,900**	**427,755**

Reference is made to note 17, 21, 22 in the consolidated financial statements for information on the Company's share capital and shareholders including Executive Management and Board's equity interests.

Elop issued in total 47,700,893 shares during 2021 related to conversion of warrants, acquisition of Simplifai and a private placement. The table below shows the development in the Company's share capital in year 2020 and 2021.

Amounts in NOK thousand Date registration	Type of change	New shares issued	Change share capital	Change share premium
28 January 2020	Share capital increase	11,260,980	563	48,647
14 February 2020	Share capital increase	2,365,460	118	10,219
16 July 2020	Private placement	16,650,002	833	99,068
Net change in 2020		**30,276,442**	**1,514**	**157,934**
15 January 2021	Warrants exercised	2,400,000	120	8,880
26 January 2021	Acquisition of Simplifai	20,300,893	1,015	145,963
13 October 2021	Private placement	25,000,000	1,250	98,750
Net change in 2021		**47,700,893**	**2,385**	**253,593**

Note 9. Related parties

Amount in NOK thousand	Relationship	2021	2020
Consultancy services - Gimle Invest AS	Chairman of the Board	100	500

Current receivables/payables to related parties

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	Accounts receivable		**Other current receivables**	
Simplifai AS	1,861	-	38,680	-
Elop Technology AS	5,160	-	72,453	-
Total	**7,020**	-	**111,133**	-
	Trade payable		**Other current liabilities**	
Simplifai AS	611	-	(55,000)	-
Elop Technology AS	120	-	(73,877)	-
Total	**731**	-	**(128,877)**	-

Non-current receivables/payables to related parties

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	Non-current receivables		**Non-current liabilities**	
Simplifai AS	-	-	-	-
Elop Technology AS	-	-	-	-
Total	-	-	-	-

For information on related party transactions for the Group, reference is made to note 21 in the consolidated financial statement. Transactions with related parties are made at terms agreed between the parties.

For the year ended 31 December 2021, transactions with related parties included in profit and loss are as follows:

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Management fees and overhead costs	8,330	-
Interest income on loans	680	-
Other costs	2,240	-
Total	**11,250**	-

Note 10. Investment in subsidiaries

The subsidiaries directly owned by the Company at 31 December 2021 are set out below. All shareholdings owned by the Company represent 100% of the issued share capital for the subsidiary and the sharecapital is comprised of ordinary shares.

Company and location (NOK thousand)	Ownership share / voting rights	Net profit 2021	Equity 31.12.2021	Book value 31.12.2021
Elop Technology AS (Hamar, Norway)	100%	(32,981)	39,527	72,508
Simplifai AS (Oslo, Norway)	100%	(25,718)	51,637	155,110
Total		**(58,699)**	**91,164**	**227,618**

On 21 December 2020, Elop AS entered into an agreement to acquire 100 percent of the shares in Simplifai AS. On 18 of January 2021 Elop completed the acquisition of 100% of the shares in Simplifai. The fair value of the agreed purchase price was NOK 148.5 million, of which NOK 147 million were in shares issued in Elop AS and NOK 1.5 million were in cash.

The investment in Simplifai AS has been impaired by NOK 48,353 thousands.

For information on acquisition of Simplifai AS and impairment, reference is made to note 10 and 11 in the consolidated financial statement.

Note 11. Intangible and tangible assets

Amount in NOK thousand	Intangible assets	Equipment and fixtures	Sum
Cost at 31 December 2020	28,690	1,580	30,270
Divested to Elop Tecnnology AS	(28,690)	(1,580)	(30,270)
Additions	-	512	512
Cost at 31 December 2021	**(0)**	**512**	**512**
Depreciations and impairment			
Accumulated at 31 December 2020		**213**	**213**
Divested to Elop Tecnnology AS	-	(213)	(213)
Depreciations for the year	-	67	67
Impairment	-	-	-
Disposals	-	-	-
Accumulated at 31 December 2021	**-**	**67**	**67**
Carrying amount at 31 december 2020	**28,690**	**1,367**	**30,057**
Carrying amount at 31 december 2021	-	**445**	**445**
Depreciation method	N/A	Linear	
Estimated useful life		3-5 years	

Intangible assets and governments grants transferred from Elop AS to Elop Technology in connection with the demerger that was completed in August 2021. The transaction took effect from 1 January 2021.

Note 12. Bank borrowings

Amounts in NOK thousand	31 December 2021			31 December 2020		
	Current	1 - 5 year	> 5 year	Current	1 - 5 year	> 5 year
Bank loans	-	-	-	607	3,429	786
Other bank borrowings	-	-	-	-	-	-
Total	-	-	-	**607**	**3,429**	**786**

NOK 607 thousand has been re-classified from non current liabilities to current in the 2020 financial statement. The loans held in Elop AS were transferred to Elop Technology through the demerger completed in 2021.

Note 13. Leasing

Reconciliation of right of use assets

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Opening balance 1 January	7,253	-
New leases	-	7,570
Disposal of leases	(1,461)	-
Adjustments	230	-
Depreciation	(2,063)	(317)
Closing balance 31 December	**3,959**	**7,253**
Useful life	3-4 years	
Depreciation method	Straight-line	

Reconciliation of lease liabilities

Amounts in NOK thousand	31 Dec 2021	31 Dec 2020
Opening balance 1 January	7,480	-
New leases	-	7,570
Disposal of leases	(1,508)	-
Adjustments	230	-
Lease payments in the period	(1,908)	(124)
Interests	156	33
Closing balance 31 December	**4,450**	**7,480**
whereof non-current	2,254	5,326
whereof current	2,195	2,154

Amounts recognised in the statement of profit or loss

Amounts in NOK thousand	2021	2020
Depreciation of right of use asset	2,063	317
Interest expense	156	33
Expenses relating to short-term leases		1,009
Expenses relating to leases of low-value		18

Maturity profile lease liability

At 31 December 2021 *Amounts in NOK thousand*	< 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Lease liabilities	2,287	2,287			4,574

At 31 December 2020 *Amounts in NOK thousand*	< 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Lease liabilities	2,339	5,200	-	270	7,810

For information on leasing, reference is made to note 13 in the consolidated financial statement.

NOK 2,154 thousand has been re-classified from non current lease liabilities to current lease liabilities in the 2020 financial statement.

Note 14. Financial instruments

The table summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Amounts in NOK thousand	<1 year	Between 1 - 5 year	> 5 year	Carrying amount
31 December 2020				
Trade and other payables	10,439	-	-	**10,439**
Bank borrowings	607	3,429	785	**4,821**
Lease liabilities	2,339	5,200	270	**7,810**
31 December 2021				
Trade and other payables	118,383	-	-	**118,383**
Bank borrowings	-	-	-	-
Lease liabilities	2,287	2,287	-	**4,573**

Financial assets

Management assessed that the fair values of cash and cash equivalents, trade receivables and other current assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial liabilities

The fair values of the Group's loans and borrowings are determined by using the DCF method using a discount rate that reflects the borrowing rate as at the end of the reporting period. The fair values of the Group's loans and borrowings are assessed to be in all material aspects similar to carrying amount.

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To the General Meeting of Elop AS

Independent Auditor's Report

Opinion

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

- The financial statements of the parent company Elop AS (the Company), which comprise the balance sheet as at 31 December 2021, the statement of profit or loss, 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 Elop AS and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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 2021, 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 financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, 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 laws and regulations 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 Matters

The Company's financial statements have been submitted after the expiry of the Euronext Growth Oslo time limit for publication of financial statements.

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T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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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.

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 legal 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.

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

Oslo, 22 June 2022
PricewaterhouseCoopers AS
Anders Ellefsen
Anders Ellefsen
State Authorised Public Accountant (Norway)

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Alternative Performance Measures (APM)

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures ("APMs") that came into force on 3 July 2016. Alternative performance measures are meant to provide an enhanced insight into the operations, financing, and future prospects of the company.

The Company has defined and explained the purpose of the following APMs:

- Contracted Monthly Recurring Revenue (MRR) – the sum of contracted revenues at each month end using end. Measured from when contract is entered into. MRR, in client contracts for which part of monthly payment are based on user statistics, are included based on historical average payments last 3 quarters and on the customers volume indications for new customers. Price increases or upsells included from month taking effect.
- Capitalised development costs – capitalised costs for hardware and software development in Elop Technology and Simplifai.
- EBIT – earnings before net finance cost (including interest cost) and taxes, but including amortisation, depreciation and impairments.
- EBITDA – earnings before net finance cost (including interest cost), taxes, amortisation, depreciation and impairments

elop

Elop Oslo

www.elop.no

Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
19.05.2021	07.04.2021	Lars Waaltorp
800 80 000	Din/Deres referanse	Telefon
Skatteetaten.no	AR423799765	90833418
Org.nr	Vår referanse	Postadresse
974761076	2021/5582158	Postboks 9200 Grønland 0134 OSLO

U.off.

ELOP AS
Nordvikvegen 50
2316 HAMAR

Att. Joakim Staff, PWC AS

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for ELOP AS, org.nr. 911 631 474

Vi viser til deres brev av 7. april 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for ELOP AS.

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

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

Bakgrunn
ELOP AS er notert på Merkur Market på Oslo Børs og har både norske og utenlandske eiere. Selskapet er et teknologiselskap som har utviklet og patentert teknologi basert på ultralyd for inspeksjon og kartlegging av kritisk infrastruktur, herunder betongskanner. Selskapet utvikler og kommersialiserer verktøy og digitale løsninger for kontroll mv. av infrastruktur for kunder over hele verden. Selskapet har begrenset med kontrakter per i dag, men sikter seg inn mot både nasjonale og internasjonale kunder.

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

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

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i

samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er notert på Merkur Market. 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.