Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	983 190 510
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	KIONA HOLDING AS
Forretningsadresse:	Leirfossvegen 27 7038 TRONDHEIM

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:	Atle Helland
Dato for fastsettelse av årsregnskapet:	30.06.2022

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, 02.08.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Other operating income	5	19 271 000	0
Sum inntekter		**19 271 000**	**0**
Kostnader			
Employee benefit expenses	6	716 000	945 000
Depreciation and amortisation expence	10	10 297 000	0
Other operating expenses	7	43 212 000	17 000
Sum kostnader		**54 225 000**	**962 000**
Driftsresultat		**-34 954 000**	**-962 000**
Finansinntekter og finanskostnader			
Finance income	8	799 000	1 463 000
Sum finansinntekter		**799 000**	**1 463 000**
Finance expense	8	11 816 000	240 000
Sum finanskostnader		**11 816 000**	**240 000**
Netto finans		**-11 017 000**	**1 223 000**
Ordinært resultat før skattekostnad		**-45 971 000**	**261 000**
Tax expence	9	-8 378 000	57 000
Ordinært resultat etter skattekostnad		**-37 593 000**	**204 000**
Årsresultat		**-37 593 000**	**204 000**
Overføringer og disponeringer			
Other equity		-37 593 000	203 000
Sum overføringer og disponeringer		**-37 593 000**	**203 000**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Development	10	34 683 000	
Licenses, patents etc	10	18 048 000	
Utsatt skattefordel	9	7 765 000	1 212 000
Sum immaterielle eiendeler		**60 496 000**	**1 212 000**
Finansielle anleggsmidler			
Investering i datterselskap	4, 11	391 703 000	4 497 000
Lån til foretak i samme konsern	11	0	6 913 000
Receivables from group companies	11	0	47 469 000
Sum finansielle anleggsmidler		**391 703 000**	**58 879 000**
Sum anleggsmidler		**452 199 000**	**60 091 000**
Omløpsmidler			
Varer			
Fordringer			
Other short term receivables	4, 12	116 000	19 000
Receivables from group companies	11	33 583 000	10 000 000
Sum fordringer		**33 699 000**	**10 019 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	4, 13	168 000	199 000
Sum bankinnskudd, kontanter og lignende		**168 000**	**199 000**
Sum omløpsmidler		**33 867 000**	**10 218 000**
SUM EIENDELER		**486 066 000**	**70 309 000**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Balanse

Beløp i: NOK	Note	2021	2020
Innskutt egenkapital			
Share capital	14	660 000	401 000
Share premium reserve	14	256 113 000	35 272 000
Sum innskutt egenkapital		**256 773 000**	**35 673 000**
Opptjent egenkapital			
Other equity		-29 132 000	8 461 000
Sum opptjent egenkapital		**-29 132 000**	**8 461 000**
Sum egenkapital		**227 641 000**	**44 134 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		0	3 571 000
Liabilities to group companies	4, 11	145 430 000	8 128 000
Sum annen langsiktig gjeld		**145 430 000**	**11 699 000**
Sum langsiktig gjeld		**145 430 000**	**11 699 000**
Kortsiktig gjeld			
Leverandørgjeld	4	232 000	
Utbytte	14		10 441 000
Kortsiktig konserngjeld	4, 11	110 963 000	3 943 000
Other current liabilities		1 801 000	92 000
Sum kortsiktig gjeld		**112 996 000**	**14 476 000**
Sum gjeld		**258 426 000**	**26 175 000**
SUM EGENKAPITAL OG GJELD		**486 067 000**	**70 309 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Recurring revenues from contracts with customers	5	167 614 000	83 405 000
Other revenues from contracts with customers	5	11 366 000	
Other operating income		329 000	
Sum inntekter		**179 309 000**	**83 405 000**
Kostnader			
Cost of goods sold		21 431 000	6 455 000
Employee benefit expenses	6	102 291 000	45 040 000
Depreciation and amortisation expence	9, 10, 16	31 515 000	14 840 000
Other operating expenses	6	57 883 000	18 887 000
Sum kostnader		**213 120 000**	**85 222 000**
Driftsresultat		**-33 811 000**	**-1 817 000**
Finansinntekter og finanskostnader			
Finance income	7	1 104 000	347 000
Sum finansinntekter		**1 104 000**	**347 000**
Finance expense	7	13 489 000	944 000
Sum finanskostnader		**13 489 000**	**944 000**
Netto finans		**-12 385 000**	**-597 000**
Ordinært resultat før skattekostnad		**-46 196 000**	**-2 414 000**
Tax expence	8	-7 417 000	-200 000
Ordinært resultat etter skattekostnad		**-38 779 000**	**-2 214 000**
Årsresultat		**-38 779 000**	**-2 214 000**
Exchange gains arising on translation of forreign operations		-4 590 000	-664 000
Sum resultatkomponenter for IFRS-foretak		-4 590 000	-664 000
Totalresultat		**-43 369 000**	**-2 878 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Owners of the parent		-43 369 000	-2 878 000
Sum overføringer og disponeringer		**-43 369 000**	**-2 878 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	9	131 514 000	33 217 000
Utsatt skattefordel	8	3 192 000	13 962 000
Goodwill	9	241 870 000	0
Sum immaterielle eiendeler		**376 576 000**	**47 179 000**
Varige driftsmidler			
Property, plant and equipment	10	463 000	374 000
Right-of-use assets	16	25 878 000	4 012 000
Other non-current assets		1 346 000	170 000
Investments		12 000	
Sum varige driftsmidler		**27 699 000**	**4 556 000**
Sum anleggsmidler		**404 275 000**	**51 735 000**
Omløpsmidler			
Varer			
Inventories	11	7 255 000	1 550 000
Sum varer		**7 255 000**	**1 550 000**
Fordringer			
Trade receivables and other receivables	12	31 823 000	6 108 000
Contract assets	5	36 173 000	34 725 000
Other current receivables		7 291 000	7 273 000
Sum fordringer		**75 287 000**	**48 106 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	13	41 160 000	25 321 000
Sum bankinnskudd, kontanter og lignende		**41 160 000**	**25 321 000**
Sum omløpsmidler		**123 702 000**	**74 977 000**
SUM EIENDELER		**527 977 000**	**126 712 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	14	660 000	401 000
Share premium	14	256 113 000	35 272 000
Sum innskutt egenkapital		**256 773 000**	**35 673 000**
Opptjent egenkapital			
Foreign exchange reserve		-4 590 000	
Other reserves		-71 153 000	-32 374 000
Sum opptjent egenkapital		**-75 743 000**	**-32 374 000**
Sum egenkapital		**181 030 000**	**3 299 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Loans and borrowings	15	152 775 000	3 571 000
Lease liabilities	16	19 119 000	1 865 000
Other non-current liabilities		1 490 000	
Sum annen langsiktig gjeld		**173 384 000**	**5 436 000**
Sum langsiktig gjeld		**173 384 000**	**5 436 000**
Kortsiktig gjeld			
Leverandørgjeld		13 464 000	2 250 000
Public duties payable		8 953 000	8 087 000
Income tax payable	8	600 000	48 000
Utbytte	14		10 441 000
Current lease liabilities	16	6 827 000	2 218 000
Contract liabilities	5	76 749 000	73 686 000
Other current liabilities		66 971 000	21 248 000
Sum kortsiktig gjeld		**173 564 000**	**117 978 000**
Sum gjeld		**346 948 000**	**123 414 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
SUM EGENKAPITAL OG GJELD		**527 978 000**	**126 713 000**

Skatteetaten

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

KIONA HOLDING AS
Leirfossvegen 27
7038 TRONDHEIM

Att. Atle Helland

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

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

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

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

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

Bakgrunn
Kiona Holding AS var frem til april 2022 morselskap til de tre øvrige selskapene. I april 2022 ble Socius Management AS og Cebyc AS fusjonert inn i Kiona AS.

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

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

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

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

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

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

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

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

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Admincontrol

List of Signatures

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Name	Method	Signed at
Zehetner, Kent	BANKID_MOBILE	2022-06-27 10:35 GMT+02
Evensen, Gisle Glück	BANKID_MOBILE	2022-06-27 09:29 GMT+02
Bjørnnes, Trond-Øystein	BANKID_MOBILE	2022-06-27 08:29 GMT+02
Svendsen, Magnus Bang	BANKID_MOBILE	2022-06-26 19:30 GMT+02
Lund, Morten Mosbakk	BANKID_MOBILE	2022-06-26 18:55 GMT+02
MIKAEL ANJOU	BANKID	2022-06-27 23:56 GMT+02
Solem, Guro	BANKID_MOBILE	2022-06-27 11:33 GMT+02

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Kiona

ANNUAL REPORT

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Trondheim, Norway

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Contents

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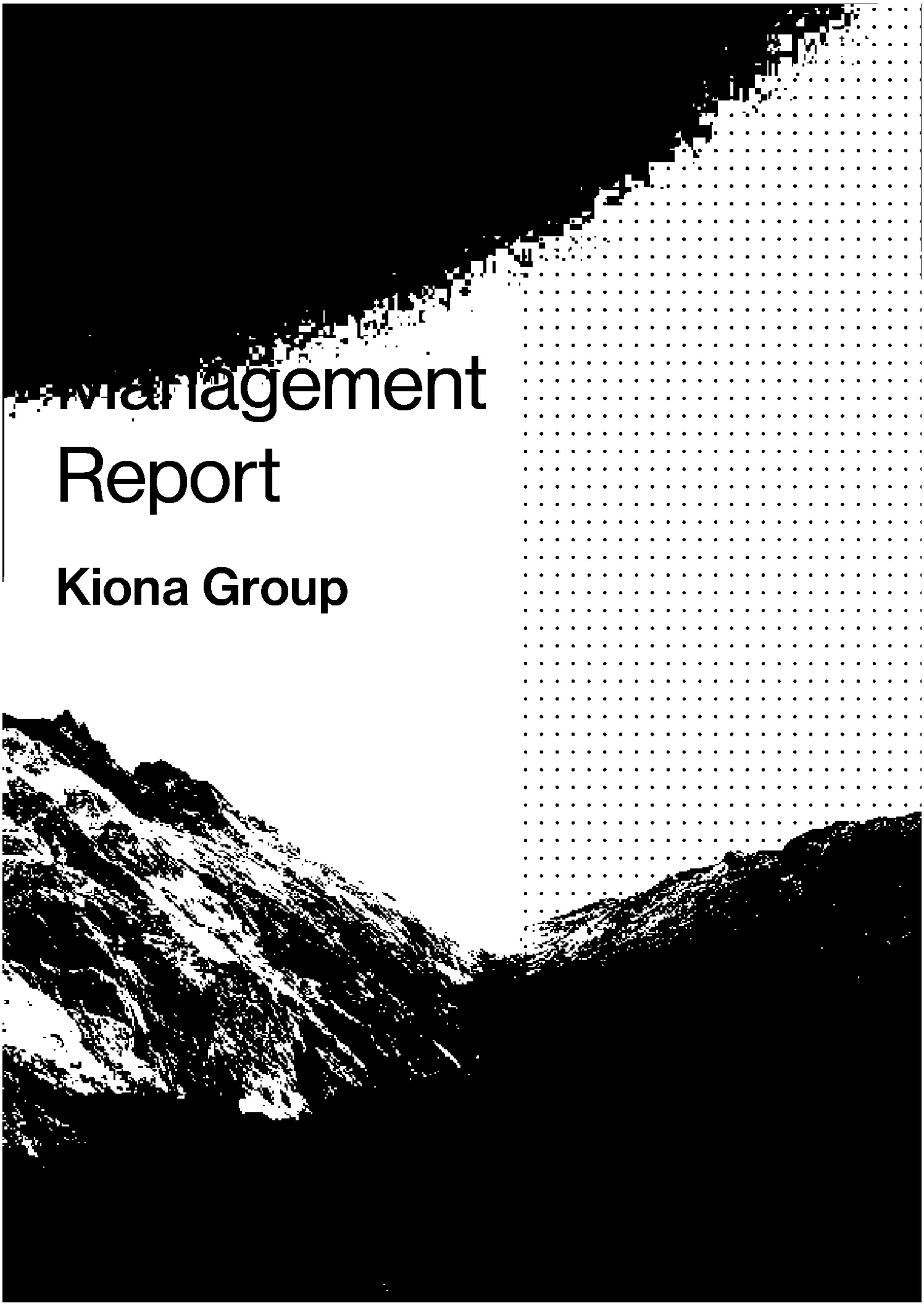

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General

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

Going Concern

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

The assumption is based on our current profit forecasts for 2022, long-term strategic forecasts, and the Group’s financial position.

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

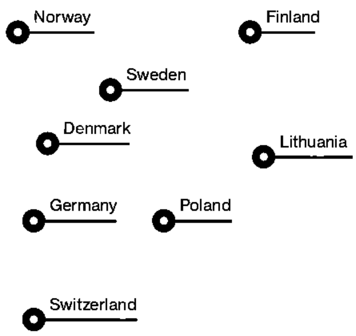
Kiona in Brief

Footprint

Kiona has 17 offices across eight countries with 133 employees. Leveraging this global footprint, Kiona serves daily more than 55.000 commercial properties, residential and public buildings and about 3.000 grocery stores in Europe. In 2021 Kiona Holding acquired

8 countries

133+ employees



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Cebyc (Socius Management), Egain, Moldeo, and Alpha Echo, to form the Kiona Group. The group is set to be the leading PropTech company in Europe, enabling stakeholders to optimise resource efficiency while reducing emissions from buildings through the monitoring, control and optimisation of energy usage. With well-proven solutions for integration and connectivity, the Kiona Group helps customers achieve their financial and sustainability objectives by digitalising new and old buildings and their heating, cooling, ventilation and refrigeration systems. The new portfolio offering has been well received in the market, with more interest for our products and numerous cross sales achieved during late 2021 and so far in 2022. In 2022 we will merge the entities in Norway, Sweden, and Germany so we have one operating entity per country. By the issue of this report the mergers in Norway have been completed and the other mergers are in process. We are also in the process of renaming all the entities to Kiona.

Results

Income from Operations

Kiona experienced a solid increase in Revenues, both organic and due to acquisitions. Revenues increased by 115 %. Kiona realised revenues of MNOK 179.3 and MNOK 96.0 up compared to 2020. EBITDA excluding one-time expenses was MNOK 25.9 in 2021 compared to MNOK 15.3 in 2020. EBITDA for 2021 was MNOK -2.3 compared to MNOK 13.0 in 2020, where acquisition costs were a major cost component in 2021.

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

Financial items

Kiona had net financial costs of MNOK 12.4 in 2021 versus MNOK 0.6 in 2020. Interest expense was MNOK 13.0 in 2021 compared to MNOK 0 in 2020, while net foreign exchange losses were MNOK 0.5 versus a loss of MNOK 0.9 in 2020

Net profit

Pre-tax income in 2021 was negative MNOK -46.2 compared to a negative pre-tax income of MNOK -2.4 in 2020. Income tax was MNOK 7.4 in 2021 versus MNOK -.2 in 2020, resulting in a net loss of MNOK 38.8 in 2021 against a net loss of MNOK 2.2 in 2020.

Allocation of the Result

For 2021, the Group has posted the net loss of MNOK 38.8 against Other Equity.

Cash flow

Cash flow from operating activities in 2021 was MNOK -17.6 compared to MNOK 31.2 in 2020. Cash flow from investing activities was MNOK -122.6 in 2021 compared to MNOK -10.3 in 2020. Finally, cash flow from financing activities was MNOK 156.0 in 2021 compared to MNOK -3.3 in 2020.

Balance sheet

Kiona had a financial position with MNOK 41.2 cash on hand at year-end 2021, compared to MNOK 25.3 at year-end 2020. The Group's interest-bearing debt by year-end 2021 comprised a loan facility of MSEK 156.8 (MNOK 152.8). In addition, the Group had a credit facility with DNB of MNOK 10, which was undrawn by year end. At year-end 2021, the NOK-value of the total interest-bearing loans was MNOK 152.8 compared to an interest-bearing debt of MNOK 3.6 at year-end 2020. Changes include a new bond loan with Ture Invest AB and an adjustment of the amount drawn on credit facilities with the banks.

Kiona had intangible assets (incl. Goodwill) of MNOK 376.8 and tangible fixed assets of MNOK 27.7 at year-end 2021. Goodwill of MNOK 242.0 is related to the acquisitions of Socius Management AS, Egain International AB including Alpha Eco and Moldeo AB, all acquired in 2021.

The goodwill has been impairment tested as part of the year-end process, and the recoverable amounts were higher than the carrying values, and therefore, no impairment was recognized in 2021.

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Capitalized Research and Development assets amounted to MNOK 45.4 at year-end 2021 versus MNOK 33.2 in 2020. Development costs capitalized through the year were MNOK 18.0 in 2021 compared to MNOK 9.1 in 2020.

The main R&D projects through 2021 have been the development of the IWMAC products. Since its inception, Kiona has invested substantial resources in research, development, and innovation.

Equity

At year-end 2021, equity totalled MNOK 181.0 and the Group had an equity to assets ratio of 34.3%.

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

Outlook for 2022

The outlook for 2022 is positive. Kiona continues to be supported by strong underlying megatrends, namely mitigating climate change and digitalization,and continues to execute its strategic plans. The current situation in Ukraine and the sanctions against Russia and Belarus, which have led to higher energy prices in Europe, will probably give further momentum for saving energy and more EU regulations to reduce emissions and increase attention for the Kiona products and services.

Risk Factors

Economic Risk

Although the Group's business is diversified geographically and by clients served, Kiona is still exposed to the economic cycle and macroeconomic fluctuations, as changes in the general economic situation could affect demand for Kiona's products and pricing of services. In periods with recession and general lower activity, this will naturally affect volumes, as Kiona experienced in some of the transactional-based parts of our business in 2021.

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

Market Risk

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

Credit Risk

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

Financial Risk

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

Working Environment

Working conditions and the employee environment at Kiona's companies are considered to be good, with a total score of 77 % and a response rate of 86% on the last annual work environment survey.

Kiona had 133 employees (132.5 full-time equivalents) at year-end 2021 compared to 63 employees (62.5 full-time equivalents) at year-end 2020. No accidents or injuries occurred as a result of performing the tasks and assignments by the employees during 2021, while the sick leave amounted to 1.43 % in 2021.

Equal Opportunities and Discrimination

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

Furthermore, Kiona aims to be an inclusive organization with regard to reduced functional ability. Within the Group's workforce, nine different nationalities and many different religions are represented. The business Kiona operates in is male-dominated, and Kiona has a high focus on increasing the female percentage. By year-end 2021, 14.3 % of all employees were female compared to 15.1 % at the end of 2020. Kiona has one female serving director on the Board of Directors. The Group seeks to increase the proportion of females through recruitment.

At the end of 2021, Kiona mapped wage conditions by gender and the use of involuntary part-time work. No employees are working part-time except for some students who work temporarily. There is no material difference in wage conditions by gender regarding positions. The average salary in 2021 for males is KNOK 710, and the average wage for females is KNOK 550. The main reason for the difference is that Kiona has no females in the Executive Management Team,

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and few females are in the Group. Kiona is in the process of recruiting females to the Management team.

Kiona's Ethical Guidelines

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

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

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

Corporate Social Responsibility

The Kiona Group recognizes the environmental and social impact of our business activities.

We focus on corporate social responsibility and sustainable business development at a strategic and operational level.

Kiona's offering enables property owners and other stakeholders to optimize their technical installations and meet sustainability targets in the smartest and most cost-efficient way possible, saving resources and fighting climate change. Kiona is a software as a service company, and the main cost factor are staff costs and we have limited environmental impacts. On a yearly basis we are measuring the CO_2 effects of all our cost factors, and we will, during 2022, set targets for reducing our environmental footprint.

Director and Officer Insurance

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

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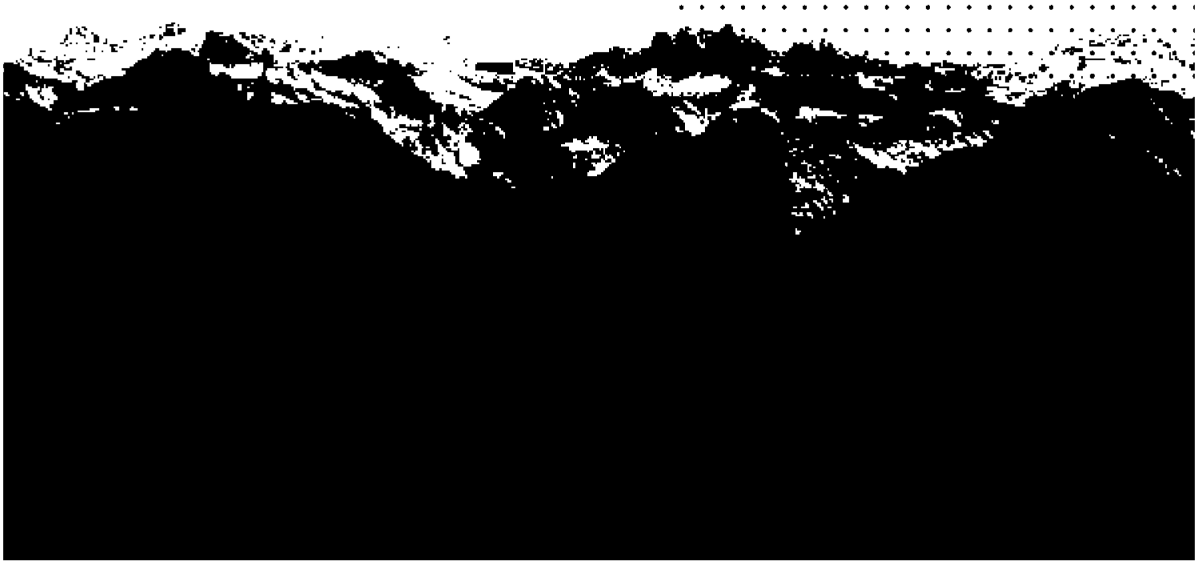
Annual Report on Corporate Governance



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Code of Practice

Kiona's organization is structured and managed in accordance with the Norwegian

Code of Practice for Corporate Governance. The Board of Directors states that Kiona has followed the code throughout 2021.

Reporting on Corporate Governance

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

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

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

Equity and Dividends

Equity

At year-end 2021, equity totalled MNOK 181.0 and the Group had an equity to assets ratio of 34.3 %. The Board of Directors considers this satisfactory given Kiona's requirement for solidity in relation to its objectives and expressed goals, strategy, and risk profile.

Dividend Policy

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

Equal Treatment of Shareholders and Transactions with Close Associates

Class of Shares

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

Related Party Transactions

Kiona complies with the requirements of the Companies Law, which codifies the fiduciary duties that an office holder, including directors and executive officers, owe to a company. An office holder's fiduciary duties consist of a duty of care and a duty of loyalty.

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

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

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

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it substantially complies with the Code of Practice's recommendation with regards to related party transactions.

General Meetings

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

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

Nomination Committee

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

Board of Directors: Composition and Independence

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

The Work of the Board of Directors

Board Responsibilities

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

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

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Remuneration of the Board of Directors and Executive Management

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

Information and Communications

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

Auditor

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

Confirmation from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the financial statements for the period from January 1 to December 31, 2021 have been prepared in accordance with applicable accounting standards and give a true and fair view of the Group consolidated assets, liabilities, financial position, results of operations, and that the Management Report provides a true and fair view of the development and performance of the business and the position of the Group together with a description of the key risks and uncertainty factors that the company is facing.

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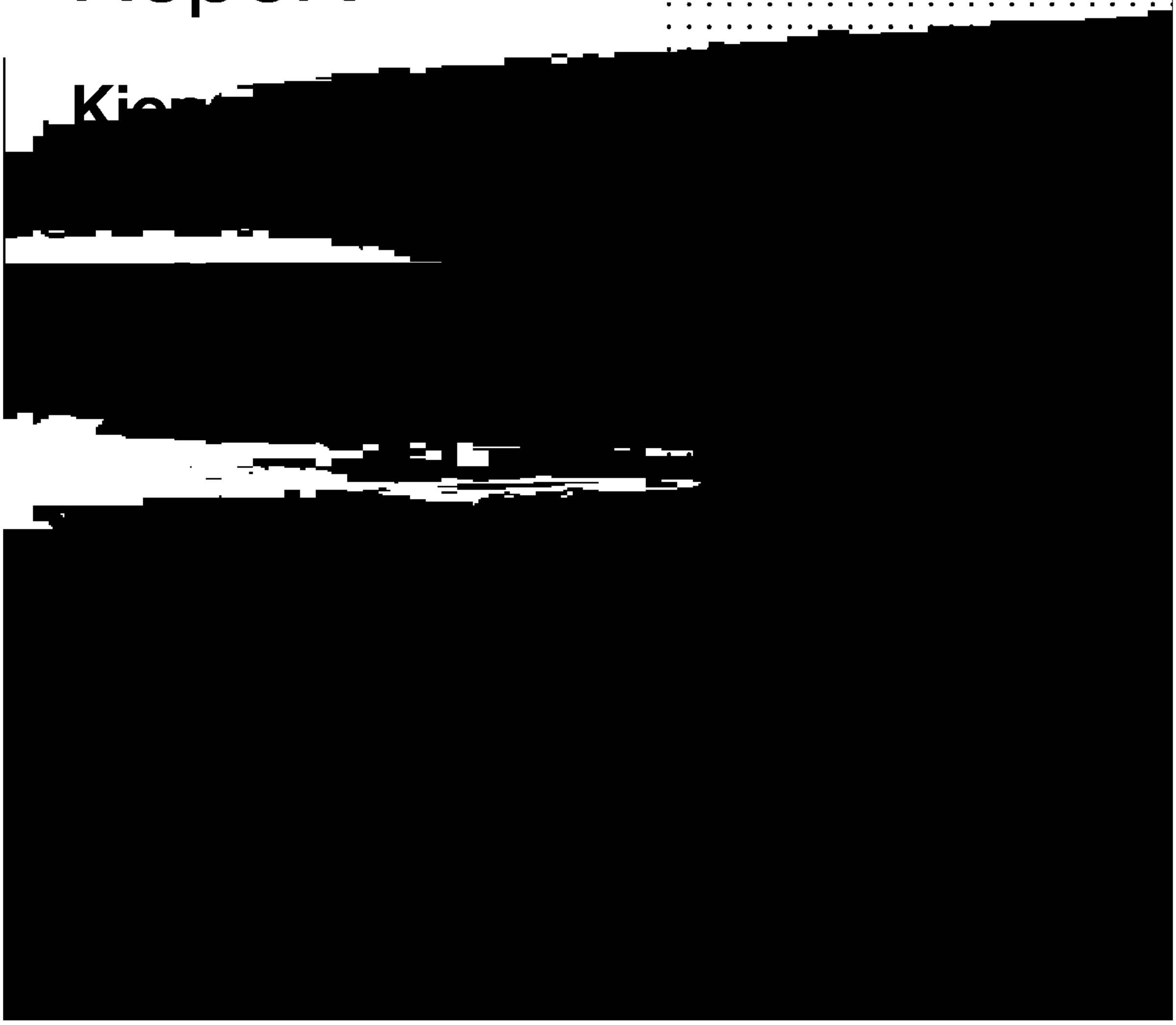
Management Report



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Brief

Kiona Holding AS (the "Company") is the holding company. Kiona Holding AS had revenues of MNOK 19.3 in 2021, all related to group transactions. In March 2022 Kiona issued 47.940 shares equal to MNOK 7.5 in an employee benefit scheme and changed the name from Kiona AS to Kiona Holding AS.

Other than these events, there have not been any events of material significance to the Company's position.

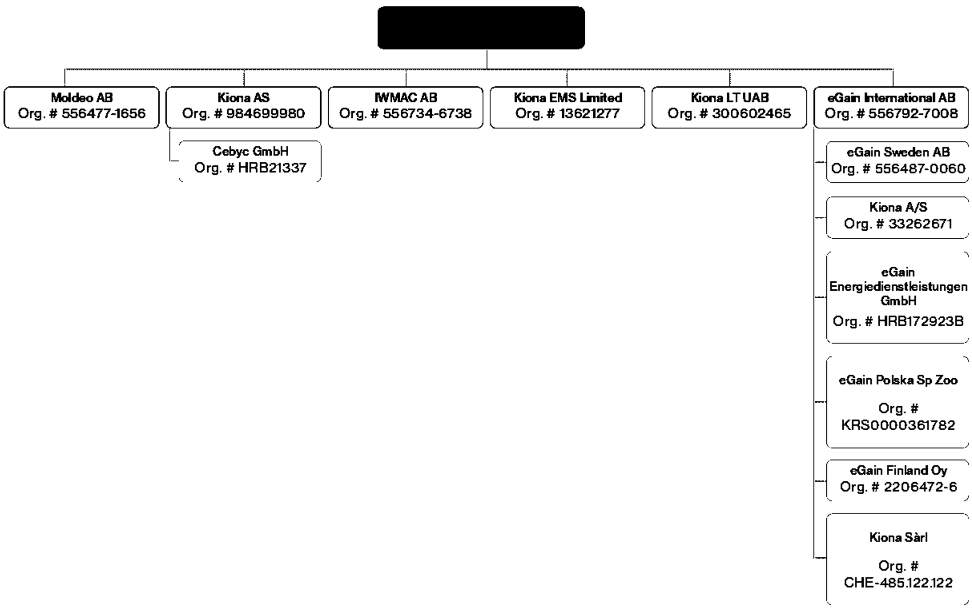
Net loss was MNOK 35.7 in 2021 compared to a net profit of MNOK 0.2 in 2020. Net profit will be posted to Other Equity.

As of year-end 2021, equity is MNOK 227.6 compared to MNOK 44.1 in 2020, and the Company had an equity-to-assets ratio of 47 %. The Board of Directors considers this satisfactory given Kiona's requirement for solidity in relation to its objectives and expressed goals, strategy and risk profile.

We confirm that the going concern assumption is true. No dividend payment is suggested for 2021.

Organization structure:

Kiona Holding AS has no employees.



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Confirmation from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the financial statements for the period from January 1 to December 31, 2021 have been prepared in accordance with applicable accounting standards and give a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and this Annual Report provides a true and fair view of the development and performance of the business and the position of the Company together with a description of the key risks and uncertainty factors that the company is facing.

Trondheim,

June 16, 2022

Signed Electronically,

Trond Øystein Bjørnnes
CEO

Kent Zehetner
Chair

Leif Mikael Anjou
Director

Gisle Glück Evensen
Director

Guro Solem
Director

Morten Lund
Director

Magnus Bang Svendsen
Director

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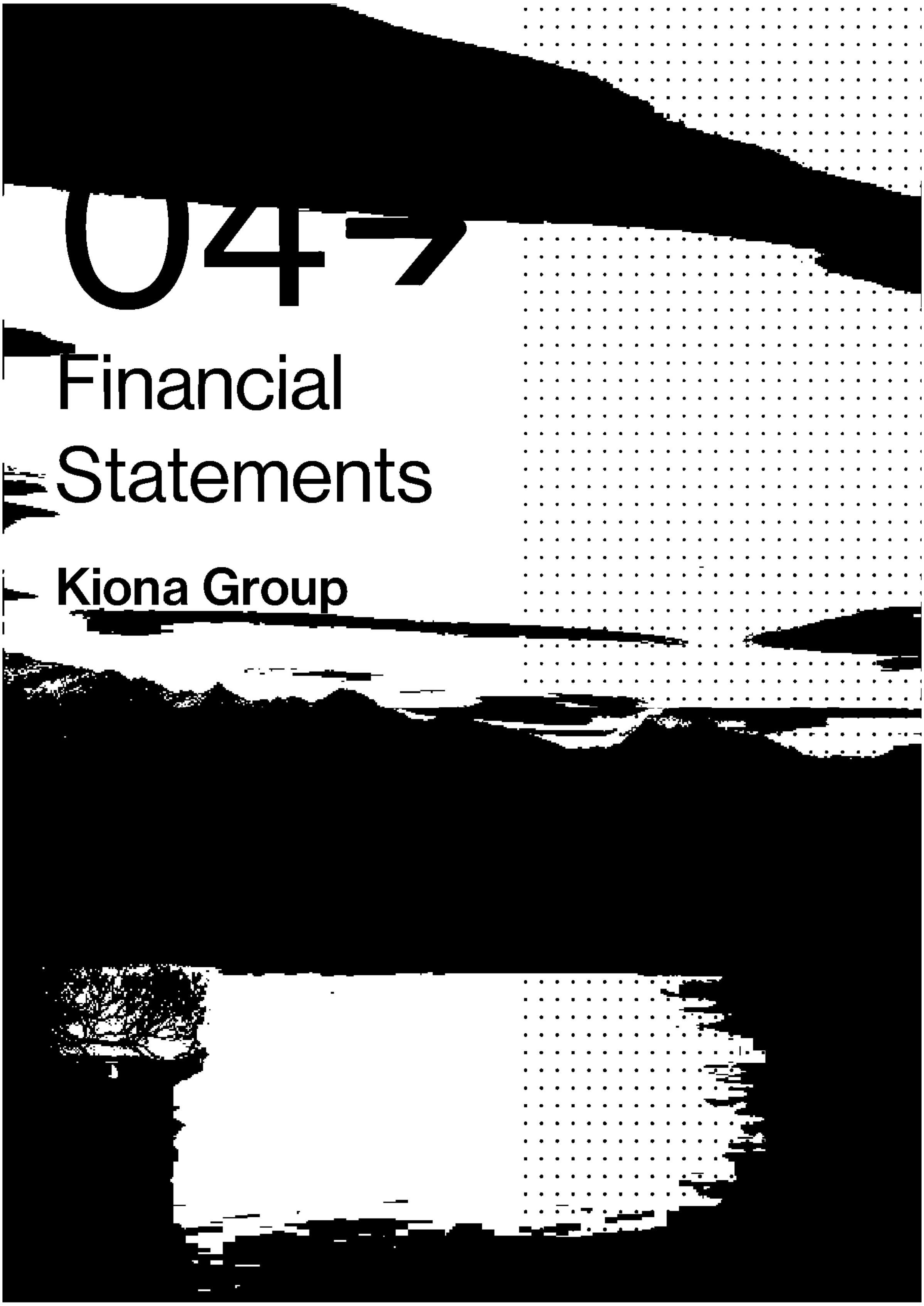

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Consolidated Statement of Profit or Loss

For the year ended 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020
Recurring revenues from contract with customers	5	167,614	83,405
Other revenues from contracts with customers	5	11,366	
Other operating income		329	
Total Operating Income		**179,309**	**83,405**
Operating Expenses			
Cost of goods sold		21,431	6,455
Employee benefit expenses	6	102,291	45,040
Other operating expenses	6	57,883	18,887
Total operating expenses		**181,605**	**70,382**
Operating profit before depreciation and amortisations (EBITDA)		**-2,297**	**13,023**
Depreciation and amortisation expense	9, 10, 16	31,515	14,840
Operating result		**-33,811**	**-1,817**
Finance income and expense			
Finance income	7	1,104	347
Finance expense	7	13,489	944
Net Finance Income And Expense		**-12,385**	**-597**
Profit before tax		**-46,196**	**-2,414**
Tax expense	8	-7,417	-200
Profit		**-38,779**	**-2,214**
Other comprehensive income			
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		-4,590	-664
Total Comprehensive Income		**-43,369**	**-2,878**
Total comprehensive income attributable to:			
Owners of the parent		-43,369	-2,878

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Consolidated Statement of Financial Position

As of 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020	01.01.2020
Assets				
Non-current assets				
Deferred tax asset	8	3,192	13,962	13,487
Intangible assets	9	131,514	33,217	36,203
Goodwill	9	241,870		
Property, plant and equipment	10	463	374	835
Right-of-use assets	16	25,878	4,012	5,149
Investments		12		
Other non-current assets		1,346	170	154
Total non-current assets		**404,275**	**51,735**	**55,828**
Current assets				
Inventories	11	7,255	1,550	1,135
Contract assets	5	36,173	34,725	30,262
Trade receivables and other receivables	12	31,823	6,108	11,133
Other current receivables		7,291	7,273	5,258
Cash and cash equivalents	13	41,160	25,321	7,006
Total Current assets		**123,701**	**74,978**	**54,795**
Total assets		**527,976**	**126,713**	**110,623**

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Consolidated Statement of Financial Position

As of 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020	01.01.2020
Equity and liabilities				
Equity				
Issued capital and reserves attributable to owners of the parent				
Share capital	14	660	401	365
Share premium	14	256,113	35,272	24,849
Foreign exchange reserve		-4,590		
Other reserves		-71,153	-32,374	-19,054
Total equity		**181,030**	**3,300**	**6,160**
Liabilities				
Non-Current Liabilities				
Loans and borrowings	15	152,775	3,571	5,000
Lease liabilities	16	19,119	1,865	3,035
Other non-current liabilities		1,490		
Total non-current liabilities		**173,384**	**5,437**	**8,035**
Current liabilities				
Loans and borrowings	15			10,782
Trade payables		13,464	2,250	2,481
Current lease liabilities	16	6,827	2,218	2,114
Public duties payable		8,953	8,087	6,018
Income tax payable	8	600	48	18
Contract liabilities	5	76,749	73,686	64,471
Dividend	14		10,441	
Other current liabilities		66,971	21,248	10,545
Total Current liabilities		**173,563**	**117,977**	**96,428**
Total Liabilities		**346,947**	**123,414**	**104,464**
Total Equity and Liabilities		**527,976**	**126,713**	**110,624**

Trondheim, June 16, 2022 | Signed Electronically,

Trond Øystein Bjørnnes
CEO

Kent Zehetner
Chair

Leif Mikael Anjou
Director

Magnus Bang Svendsen
Director

Gisle Glück Evensen
Director

Guro Solem
Director

Morten Lund
Director

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Consolidated Statement of Changes in Equity

(All figures in NOK 1 000)	Note	Share capital	Share premium	Foreign exchange reserve	Other Equity	Total Equity
31 December 2019		**365**	**24,849**		**7,794**	**33,008**
Effect of implementing IFRS	21				-26,848	-26,848
1 January 2020		**365**	**24,849**		**-19,054**	**6,160**
Profit from continuing operations					-2,214	-2,214
Other comprehensive Income				-664		-664
Total comprehensive Income for the year		**-**	**-**	**-664**	**-2,214**	**-2,879**
Capital increase		37	10,423			10,459
Dividend paid					-10,441	-10,441
Contributions by and distributions to owners		**37**	**10,423**	**-**	**-10,441**	**18**
31 December 2020		**401**	**35,272**	**-664**	**-31,710**	**3,300**
Profit from continuing operations					-38,779	-38,779
Other comprehensive Income				-3,926	-664	-4,590
Total comprehensive Income for the year		**-**	**-**	**-3,926**	**-39,444**	**-43,369**
Capital increase		258	220,841			221,099
Share transfer / adjustment						
Contributions by and distributions to owners		**258**	**220,841**	**-**	**-**	**221,099**
31 December 2021		**660**	**256,113**	**-4,590**	**-71,153**	**181,030**

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Consolidated Statement of Cash Flows

For the year ended 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020
Cash flows from operating activities			
Profit for the year		-46,196	-2,414
Adjusted For			
Depreciation and amortisation expense	9	31,515	14,840
Finance income	7		
Finance expense	7		
Income tax expense	8		
Effect of exchange rate fluctuations		-4,458	-891
Increase in trade and other receivables		-19,736	5,025
Increase in inventories		1,588	-416
Decrease in trade and other payables		6,903	-232
Change in other accrual items		17,439	15,509
Cash generated from operations		**33,251**	**33,836**
Income tax paid	8	-4,217	-18
Net cash flows from operating activities		**-17,162**	**31,404**
Investing activities			
Acquisition of subsidiary, net of cash acquired		-92,797	
Purchases of property, plant and equipment	10	-30,148	-10,255
Proceeds from the sale of other investments		352	
Payments to buy other investments			-16
Net cash used in investing activities		**-122,593**	**-10,271**
Financing activities			
Proceeds from the issuance of new long-term liabilities	15	161,552	1,865
Proceeds from the Issuance of new current liabilities	15	6,564	
Repayment of long-term liabilities	16	-2,081	-1,429
Repayment of current liabilities	16		-2,931
Net change in bank overdraft			-10,782
Proceeds from equity			10,459
Dividends paid to the holders of the parent	14	-10,441	-
Net cash (used in)/from financing activities		**155,594**	**-2,817**
Net increase in cash and cash equivalents		**15,839**	**18,315**
Cash and cash equivalents at beginning of year		**25,321**	**7,006**
Net increase in cash and cash equivalents		15,839	18,315
Cash and cash equivalents at end of year		**41,160**	**25,321**

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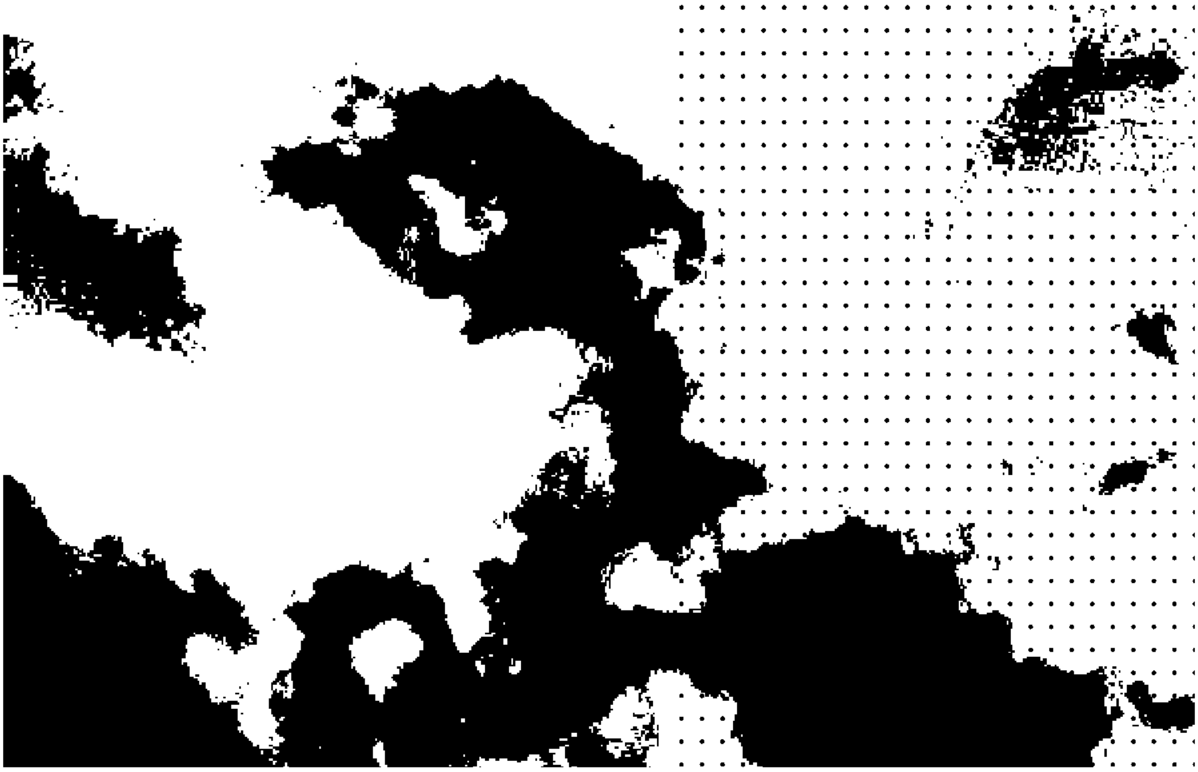
Notes to the Financial Statements

Kiona Group



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Note 1 General Information

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

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

This year's financial statements were approved for issue by the Board of Directors on 16 June 2022.

Note 2 Critical Accounting Estimates And Judgements

The preparation of financial statements requires management to make some assessments, calculate estimates and set assumptions that affect the amounts reported in the financial statements and in the corresponding notes. Management bases its estimates and assessments on historical experience, as well as a number of other factors considered relevant in the situation. This in turn forms the basis for the assessments made related to the carrying amount of assets and liabilities where this is not obviously available from other sources. The main areas of assessment and estimation with uncertainty on the balance sheet date, which have a significant risk of creating significant change in the carrying amount of assets and receivables during the next financial year, apply to:

Revenue recognition

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

Impairment of intangible assets including goodwill

The Group's management assesses whether there is an impairment of an intangible asset when indicators indicate that the book value cannot be recovered. The determination of recoverable amounts of intangible assets is based in part on management's assessment, including estimates of future performance, the asset's revenue-generating capacity, as well as assumptions about future market conditions. Changes in the situation, as well as in management's assessment and assumptions, can cause losses as a result of impairments during the relevant periods. The recognized value of intangible assets as at 31 December 2021 and 2020 was MNOK 373.4 and MNOK 33.2, respectively, including goodwill.

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

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Note 3.1 Accounting Policies

General

Basis for Preparation

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

The financial statements for 2021 are the first financial statements prepared in accordance with IFRS, details on the effect of implementing the new accounting policies are included in note 21.

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

Consolidation policies

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

The consolidated financial statements are prepared according to uniform principles. Inter-company transactions and balances, including internal profits and unrealized gains and losses, have been eliminated.

The subsidiaries follow the same accounting policies as the parent company.

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

Business combinations and goodwill

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

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

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

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

If the consideration (including any non-controlling interests and fair value of previous holdings) exceeds the fair value of identifiable assets and liabilities in the acquisition, the excess amount is recognized as goodwill. If the consideration (including any non-controlling interests and fair

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value of previous holdings) constitutes less than the fair value of net assets in the subsidiary as a result of a purchase on favorable terms, the difference is recognized as a gain in the income statement.

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

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

Functional currency and presentation currency

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

Foreign currency

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

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

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

Revenues from contracts with customer

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

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

Allocation of transaction price between sale of hardware and subsequent services

The Group provides services that are sold separately or bundled together with the sale of hardware to a customer. Contracts for the bundled sale of goods and services that comprise of two performance obligations where each performance obligation constitute the sale of goods and services are recognized according to the principles above. The transaction price determined

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in the contract is allocated to the two performance obligations based on the relative stand-alone selling prices.

Sale of hardware

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

Revenues for subsequent services

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

Deferred revenue from set-up activities

The set-up activities are part of what is needed to provide the subsequent services. Invoiced amount for set-up activities are therefor recognized as part of the revenue from subsequent activities. The contracts with customers are entered into for a period of one year, with option for renewals. Contracts has historically been renewed for a significant number of years. Changes on the customers premises means that the set-up activities will have to be repeated. Based on the historical churn and the frequency of changes on the customers premises the management has concluded that it is appropriate to recognize the consideration from set-up activities over a period of five years.

Contract asset - cost relating to set-up activities

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

Payment terms

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

Classification of balance sheet items

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

Financial assets

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

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely

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payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

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

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

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

Financial Liabilities

The Group classifies its financial liabilities other financial liabilities

Other financial liabilities

Other financial liabilities include the following items:

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

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

Inventories

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

Externally acquired intangible assets

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

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

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

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

Internally generated intangible assets (development costs)

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

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

> Adequate resources are available to complete the development

> There is an intention to complete and sell the product

> The Group is able to sell the product

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

> Expenditure on the project can be measured reliably.

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

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

Property, plant and equipment

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

Intangible assets

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

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

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

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on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill. Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill is not reversed.

Dividends and group contributions

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

Taxes

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

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

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

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

Cash flow statement

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

Leases

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

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

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

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

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favor of the group if it is reasonably certain to assess that option.
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

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

- Lease payments made at or before commencement of the lease.
- Initial direct costs incurred

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over

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the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

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

Pension

Defined contribution schemes

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

Events after the balance sheet date

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

Note 3.2 Changes in Accounting Policies

New standards, interpretations and amendments not yet effective

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

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Note 4 Financial Instruments - Risk Management

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

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

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

Principal financial instruments

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

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

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

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Financial instruments based on category

31.12.2021

(All figures in NOK 1 000)	Financial assets at fair value	Financial asset at amortized cost	Financial liabilities at fair value	Financial liabilities at amortized cost	Total
Assets					
Investments		12			
Other non-current assets		1,346			
Trade receivables and other receivables		31,823			
Other current receivables		7,291			
Cash		41,160			
Liabilities					
Debt to financial institutions				152,775	
Trade payable, public duties payable and other current liabilities				89,388	
Net Financial Assets And Liabilities At 31 December 2021	**-**	**81,632**	**-**	**242,163**	**-160,531**

31.12.2020

(All figures in NOK 1 000)	Financial assets at fair value	Financial asset at amortized cost	Financial liabilities at fair value	Financial liabilities at amortized cost	Total
Assets					
Other non-current assets		170			
Trade receivables and other receivables		6,108			
Other current receivables		7,273			
Cash		25,321			
Liabilities					
Debt to financial institutions				3,571	
Trade payable, public duties payable and other current liabilities				31,585	
Net Financial Assets And Liabilities At 31 December 2020	**-**	**38,872**	**-**	**35,156**	**3,716**

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Fair value of financial instruments recognized at amortized cost

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

General objectives, policies and processes

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

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

Capital management

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

Currency Risk

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

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

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

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

2020	**NOK**	**EURO**	**SEK**	**DKK**	**PLN**	**OTHER**	**Total**
Net foreign currency financial assets / (Liabilities)							
Currency							
NOK							
EURO	-35						-35
SEK	19,615						19,615
DKK							
PLN	-26						-26
OTHER	-160						-160
Total net exposure	**19,394**	**-**	**-**	**-**	**-**	**-**	**19,394**

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Interest rate risk

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

Borrowings are have been at a low level. There for there are currently no measures implemented towards reducing the exposure towards interest rate risk.

Credit risk

The Group is exposed to credit risk primarily related to accounts receivable and other receivables. The Group limits the exposure to credit risk with upfront and mostly bi-annual invoicing and can stop services if the clients does not pay outstanding invoices.

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

Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 12.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Groups reputation. The Group established an international cash pool with DNB on April 6th, 2022 which will require less operational cash per legal unit and the merger of 3 companies in Norway and scheduled mergers of 4 companies in Sweden later in 2022 will further contribute with less operational cash that are tied-up in the subsidiaries. Surplus liquidity is primarily placed in bank accounts.

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

31.12.2021

(All figures in NOK 1 000)	Total	0-6 months	6-12 months	1-2 years	2-4 years	After 5 years
Debt to financial institutions	152,775				152,775	
Trade payables	13,464	13,464				
Public duties	8,953	8,953				
Other short term liabilities	66,971	66,971				
Total	**242,163**	**89,388**	**-**	**-**	**152,775**	**-**

31.12.2020

(All figures in NOK 1 000)	Total	0-6 months	6-12 months	1-2 years	2-4 years	After 5 years
Debt to financial institutions	3,571		3,571			
Trade payables	2,250	2,250				
Public duties	8,087	8,087				
Other short term liabilities	21,248	21,248				
Total	**35,156**	**31,585**	**3,571**	**-**	**-**	**-**

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Note 5 Revenues From Contracts With Customer

Disaggregation of Revenue

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

- Depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date; and
- Enable users to understand the relationship with revenue segment information provided in Note 8

Disaggregation based on type of customers

Revenues based on geographic location of customers

(All figures in NOK 1000)	2021	2020
Norway	89,558	54,798
Sweden	38,946	28,607
Denmark	4,024	
Other	46,452	
Total	**178,980**	**83,405**

Revenues by product or service

(All figures in NOK 1000)	2021	2020
Sale of goods	14,380	5,059
Sale of service	164,600	78,346
Total	**178,980**	**83,405**

Timing of revenue recognition

(All figures in NOK 1000)	2021	2020
Point in time	14,380	5,059
Over time	164,600	78,346
Total	**178,980**	**83,405**

Critical judgements

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

Identification of performance obligation

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

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Deferred revenue from set-up activities

The set-up activities are part of what is needed to provide the subsequent services. Invoiced amount for set-up activities are therefor recognized as part of the revenue from subsequent activities. The contracts with customers are entered into for a period of one year, with option for renewals. Contracts has historically been renewed for a significant number of years. Changes on the customers premises means that the set-up activities will have to be repeated. Based on the historical churn and the frequency of changes on the customers premises the management has concluded that it is appropriate to recognize the consideration from set-up activities over a period of five years.

Contract asset - cost relating to set-up activities

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

Contract Assets	2021	2020
As of 1 January	34,725	30,262
Additions	15,015	16,907
Reclassifications to accounts receivables	-13,567	-12,444
Total contract assets	**36,173**	**34,725**

Contract Liabilities	2021	2020
As of 1 January	73,686	64,471
Additions	34,308	35,714
Reclassifications to accounts receivables	-31,245	-26,499
Total Contract Liabilities	**76,749**	**73,686**

Remaining performance Obligations

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

Deferred revenue will be recognized in the income statement as follows

	2021	2020
To be recognized as revenue in **2021**		25,781
To be recognized as revenue in **2022**	26,890	20,621
To be recognized as revenue in **2023**	21,275	15,009
To be recognized as revenue in **2024**	15,776	9,514
To be recognized as revenue in **2025**	9,426	2,761
To be recognized as revenue in **2026**	3,381	
Total	**76,749**	**73,686**

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

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Note 6 Employee Benefit Expenses

(All figures in NOK 1 000)	2021	2020
Salaries	87,290	49,585
Social security expenses	16,938	8,240
Defined contribution pension schemes	5,864	2,177
Fees for external staff	1,403	
Other expenses	-9,204	-14,962
Total	**102,291**	**45,040**

Number of employees at year end	144	66
Average full -time employees during the financial year:	133	57

Key management compensation 2021

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

Key management compensation 2020

(All figures in NOK 1 000)	Salary	Bonuses	Pension	Other benefits	Total
CEO	1,686		76		1,762
Group management (excluding CEO)	6,561	100	394		7,055

Pension

Compensation to board members 2021

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

Compensation to board members 2020

(All figures in NOK 1 000)		
Board members	945	945

Audit fees

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

(All figures in NOK 1 000)	2021	2020
Statutory audit	793	200
Other assurance services	164	84
Total	**957**	**284**

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Note 7 Finance Income And Expense

Finance income

	2021	2020
Interest income	168	
Foreign exchange gains		
Other finance income	937	347
Total finance income	**1,104**	**347**

Finance expense

	2021	2020
Interest on debts and borrowings	12,998	
Interest from leases		
Foreign exchange losses		
Other finance expense	491	944
Total finance expense	**13,489**	**944**

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Note 8 Income Tax

(All figures in NOK 1 000)	2021	2020
Income tax expense:		
Current income tax	719	47
Correction of previous years current income taxes		
Changes in deferred tax	-8,136	-247
Total income tax expense	**-7,417**	**-200**

Temporary differences and tax positions

	2021	2020
Intangible assets	77,027	
Property plant and equipment	-536	5,926
Lease agreements brought to the balance	94	-72
Receivables	-2,473	
Profit and loss account	897	-150
Provisions	-74,283	-73,686
Other differences*	36,196	34,725
Total temporary differences and tax positions	**36,921**	**-33,256**
Tax losses carried forward	-60,642	-33,277
Temporary differences and tax positions not included in the basis for deferred tax	13,522	2,255
Basis for deferred tax	-10,199	-64,279
Net deferred tax	**-3,192**	**-13,962**

Specification in the statement of financial position		
Deferred tax asset	3,192	-13,962
Deferred tax		
Net deferred tax	**3,192**	**-13,962**

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Tax payable in the statement of financial position

Current income tax payable	719	48
Prepaid tax	-120	
Net tax payable	**600**	**48**

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

Reconciliation of effective tax rate

(All figures in NOK 1 000)	2021	2020
Result before tax	-46,196	-2,414
Income tax based on applicable tax rate (22%)	**-10,163**	**-531**
Effect from foreign currency and different tax rates	145	
Tax effect from result before acquisitions	-361	
Changes in not recognized tax loss carried forward	1,165	860
Not deductible expenses	1,797	44
Not taxable income		-574
Income tax expense	**-7,417**	**-200**
Effective tax rate	16.1 %	8.3 %

Reconciliation of changes in deferred tax

Deferred tax 01.01	13,962	-13,487
Changes in deferred tax in income statement	-8,136	-247
Deferred tax from business combinations	18,971	
Foreign currency effects	-67	-228
Deferred tax 31.12	**-3,192**	**-13,962**

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Note 9 Intangible Assets

(All figures in NOK 1 000)	Goodwill	Technology, brand name and customer relations	Development	Total Intangible Assets
Cost as of 31.12.2019		**5,751**	**61,045**	**66,796**
Additions			9,112	9,112
Cost as of 31.12.2020	**-**	**5,751**	**70,157**	**75,908**
Additions			17,953	17,953
Additions business combinations	247,007	106,453		353,460
Foreign currency effects	-5,137	-455	-150	-5,742
Cost as of 31.12.2021	**241,870**	**111,749**	**87,960**	**441,579**
Accumulated amortisation and impairments as of 31.12.2019		**-2,846**	**-27,746**	**-30,593**
Amortisation charge		-968	-11,130	-12,098
Disposals				
Foreign currency effects				
Accumulated amortisation and impairments as of 31.12.2020	**-**	**-3,814**	**-38,876**	**-42,691**
Amortisation charge		-11,708	-13,797	-25,505
Disposals				
Foreign currency effects				
Accumulated amortisation and impairments as of 31.12.2021	**-**	**-15,522**	**-52,673**	**-68,195**
Carrying amount as of 31.12.2019	**-**	**2,905**	**33,299**	**36,204**
Carrying amount as of 31.12.2020	**-**	**1,937**	**31,281**	**33,217**
Carrying amount as of 31.12.2021	**241,870**	**96,227**	**35,287**	**373,384**
Carrying amount of assets with indefinite life	241,870			241,870

Amortization Rate

The Group amortises all intangible asset based on the linear method

Useful Economic Lift

Development	5 years
Software	5 years

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

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

(All figures in NOK 1 000)	Goodwill	Intangible Assets	Total
Intangible assets by segment or CGU As of 31.12.2021			
Kiona CGU	241,870	35,287	277,157
Total as of 31.12.21	**241,870**	**35,287**	**277,157**

Impairment Test of Goodwill and Intangible Assets

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

The impairment tests are based budgets for next year with a projection based on long-term strategic plans. Management has set budgeted figures for 2021 based on previous performance and expectations for market developments. Growth rates for the period 2022 - 2025 are in accordance with management's long-term plan and are used as projections of budgeted figures for 2022. After 2025, 2% perpetual growth is based on cash flows in the year 2025. The discount rate used is after tax and reflects specific risks to the relevant operating segment/CGU.

Impairment Test of Kiona CGU

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

Sensitivity

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

	%	
Change in revenues growth in the initial 5 years period.	27.2 %	Decrease in % points
Changes in EBITDA margin	3.1 %	Decrease in % points
Change in discount rate	2.4 %	Increase in % points

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

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Note 10 Property, Plant, and Equipment

(All figures in NOK 1 000)	Total Equipment
Cost as of 31.12.2019	**2,249**
Additions	
Disposals	-108
Foreign currency effects	
Cost as of 31.12.2020	**2,141**
Additions	223
Additions business combinations	793
Disposals	
Foreign currency effects	
Cost as of 31.12.2021	**3,157**
Accumulated depreciation and impairments as of 31.12.2019	**-1,414**
Depreciation	-463
Impairments	
Disposals	108
Foreign currency effects	2
Accumulated depreciation and impairments as of 31.12.2020	**-1,766**
Depreciation	-925
Depreciations business combinations	
Impairments	
Disposals	
Foreign currency effects	
Accumulated depreciation and impairments as of 31.12.2021	**-2,694**
Carrying amount as of 31.12.2019	**835**
Carrying amount as of 31.12.2020	**375**
Carrying amount as of 31.12.2021	**463**
Economic life	3 - 5 year
Depreciation method	Linear

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Note 11 Inventories

(All figures in NOK 1 000)	2021	2020
Inventories at Cost		
Purchased finished goods	7,255	1,550
Total	**7,255**	**1,550**

Note 12 Trade And Other Receivables

Trade receivables

(All figures in NOK 1 000)	2021	2020
Trade receivables at face value as of 31.12	31,823	6,108
Less: Provision for impairment of trade receivables		
Net trade receivables	**31,823**	**6,108**

	2021	2020
Receivables written off during the years		
Collected on receivables written of in prior periods		
Changes in provision during the year		
Impairment loss during the year	**-**	**-**

There is no found losses in trade receivables and no calculated expected loss provision for trade receivables in the years 2020 and 2021.

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Note 13 Cash And Cash Equivalents

(All figures in NOK 1000)	2021	2020
Bank deposits	**41,160**	**25,321**

Restricted funds

(All figures in NOK 1000)	2021	2020
Withholding tax account	**3,068**	**2,749**

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Note 14 Share Capital And Shareholders

(All figures in NOK 1 000)	2021	2020	2019
Share capital	660	401	365
Share premium	256,113	35,272	24,849
Total paid in capital	**256,773**	**35,674**	**25,214**

(All figures in NOK 1 000)	2021	2020	2019
Dividends paid	**10,441**		

Shareholders holding 1% or more of the share capital:	No. of shares	% of total
eGain Group AB	1,499,414	31.71%
Byggteknikk Drift AS	1,411,538	29.85%
Pivot Invest AS	291,641	6.17%
Bjørnnes AS	241,919	5.12%
Summa Energy Investments AB	234,633	4.96%
Stangvik AS	195,886	4.14%
Jonicore AB	157,347	3.33%
Lars G Larsen	112,698	2.38%
Marine AS	102,760	2.17%
Magnusmagnus AS	94,967	2.01%
Nyvoll Invest AS	92,515	1.96%
X3M Design AB	56,650	1.20%
HIWI AB	55,780	1.18%
Total	**4,547,748**	**96.2 %**
Others	181,383	3.8 %
Total shares	**4,729,131**	**100.0 %**

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Note 15 Non Current Liabilities

Non current liabilities

(All figures in NOK 1 000)	2021	2020	2019
Loans and borrowings	152,775	3,571	5,000
Lease liabilities	19,119	1,865	
Other non-current liabilities	1,490		
Total long term debt	**173,384**	**5,437**	**5,000**

Bond loan (Loans and borrowings 2021)

Duration	SEK million	Current interest	Interest terms	Final maturity	In compliance with covenants?
2021 - 2024	Up to 500	9.50%	STIBOR at Quotation Day + 9,50% (Cash Interest + PIK Interest)	16 Dec 2024	Yes

Key terms:

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

Call option:

Voluntary total redemption of bond at (I) any time prior to the First Call Date (20 March 2023) at an amount equal to 100 per cent of the Total Nominal Amount of the Notes, (II) any time from First Call Date and first Business day after 19 March 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,75 per cent of the Total Nominal Amount of the Notes, and (III) any time from the first Business Day after 19 March 2024 and 16 Dec 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,375 per cent of Total Nominal Amount of the Notes.

Put option:

Upon a change of control (I) prior to the First Call Date (20 March 2023), exercisable at 100 per cent of the Nominal Amount, (II) any time from First Call Date and first Business day after 19 March 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,75 per cent of he Total Nominal Amount of the Notes, and (III) any time from the first Business Day after 19 March 2024 and 16 Dec 2024 at 100 per cent of Total nominal Amount of the Notes plus a prepayment fee equal to 3,375 per cent of Total Nominal Amount of the Notes.

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Guarantors and Security:

Kiona Holding AS, Kiona AS, IWMAC AB, Socius Management AS, Cebyc AS, Moldeo AB, Egain International AB and EGain Finland Oy; and at any time after the date of Terms and Conditions, a Group Company which becomes a Material Company.

General undertakings (covenants):

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

CSD related undertakings:

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

Financial covenants:

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

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

> Minimum Liquidity: aggregate Cash held by Group Companies, together with undrawn commitments under the Working Capital Facility to a maximum of NOK 5,000,000, is not in aggregate, at any time, less than NOK 10,000,000

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

> Leverage: Leverage in respect of any relevant period from December 2022 shall not exceed the ratio for the relevant period (respectively from 6.00:1 to 4.00:1)

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Note 16 Leases

Right of use asset

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

Right of use assets

(All figures in NOK 1000)	Vehicle	Land and buildings	Total
At 1 January 2020	**123**	**5,026**	**5,149**
Additions	705	214	919
Disposals			
Amortisation	-206	-2,058	-2,265
Foreign currency effects	4	204	208
At 31 December 2020	**626**	**3,386**	**4,012**
At 1 January 2021	**626**	**3,386**	**4,012**
Additions	3,029	23,520	26,550
Disposals			
Amortisation	-1,459	-3,626	-5,085
Foreign currency effects	35	367	401
At 31 December 2021	**2,231**	**23,647**	**25,878**
Economic life/lease term	1-3 years	1-10 years	
Amortisation method	Straight line	Straight line	

Lease liabilities

Undiscounted lease payments and year of Payment	**2021**	**2020**
Less than 1 year	6,006	2,398
1-2 years	5,111	1,544
2-3 years	4,021	595
3-4 years	3,280	516
4-5 years	2,066	121
More than 5 years	9,882	
Total undiscounted lease payments	**30,366**	**5,173**

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Changes in lease liabilities	Vehicle	Land and buildings	Total
At 1 January 2020	**123**	**5,026**	**5,149**
Additions	705	214	919
Interest expenses	9	180	190
Lease payments	-221	-2,187	-2,408
Foreign currency effects	13	222	235
At 31 January 2020	**630**	**3,456**	**4,085**
At 1 January 2021	**630**	**3,456**	**4,085**
Additions	3,029	23,951	26,980
Interest expenses	43	420	463
Lease payments	-1,458	-3,871	-5,329
Foreign currency effects	-44	-211	-254
At 31 January 2021	**2,200**	**23,745**	**25,946**

	2021	2020
Current lease liabilities	6,827	2,218
Non-current lease liabilities	19,119	1,865

Cash flows lease liabilities

Cash flows lease liabilities	-3,467	-1,299

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

Lease payment expensed

(All figures in NOK 1 000)	2021	2020
Expensed lease payment for short-term leases and low value leases	90	83
Variable lease payments		
Total cash flows leases	**-3,377**	**-1,216**

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Note 17 Notes Supporting The Cash Flows

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

(All figures in NOK 1 000)	Non-current loans and borrowings	Non-current Lease liabilities	Current loans and borrowings	Current Lease liabilities	Other non-current financial liabilities	Total
At 1 January 2021	**3,571**	**1,867**	-	**2,218**	-	**7,655**
Cash flows						
Down payment of loans	-2,291					-2,291
New loans	152,775					152,775
Lease payments		-4,866				-4,866
Non-cash flows						
Changes from business combinations	209	25,582				25,791
New lease agreement		1,399				1,399
Loans and borrowings classified as current at 31 December **2021**		-4,609		4,609		
Currency translation effect		-254				-254
At 31 December 2021	**154,265**	**19,119**	-	**6,827**	-	**180,211**

(All figures in NOK 1 000)	Non-current loans and borrowings	Non-current Lease liabilities	Current loans and borrowings	Current Lease liabilities	Other non-current financial liabilities	Total
At 1 January 2020	**5,000**	**3,035**	**10,782**	**2,114**	-	**20,931**
Cash flows						
Down payment of loans	-1,429		-10,782			-12,211
New loans						
Lease payments		-2,218				-2,218
Non-cash flows						
- Changes from business combinations						
- New lease agreement		919				919
- Loans and borrowings classified as current at 31 December **2020**		-104		104		
- Currency translation effect		235				235
At 31 December 2020	**3,571**	**1,867**	-	**2,218**	-	**7,656**

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Note 18 Related Party Transactions

The Group companies did not enter into transactions with related parties who are not members of the Group during the year.

2021

(All figures in NOK 1 000)

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

2020

(All figures in NOK 1 000)

Related party	Company	Description	Relation	Amounts owed to related parties	Amount owed by related parties
Towering Cumulus AS	Kiona AS	Consultancy	Shareholder	256	
Pivot Invest AS	Kiona AS	Consultancy	Shareholder	1,988	
Byggteknikk Prosjekt AS	Kiona AS	Rent	Shareholder	1,932	
Total				**4,176**	**-**

Note 19 Consolidated Companies

The following companies are included in the consolidated financial statement for 2021

Parent Company Kiona Holding AS

Subsidiaries	Country of incorporation	Proportion of ownership
Kiona AS (former name IWMAC AS)	Norway	100.0 %
Iwmac AB	Sweden	100.0 %
Egain International AB	Sweden	100.0 %
Egain Sweden AB	Sweden	100.0 %
Kiona A/S (former name Egain Denmark AS)	Denmark	100.0 %
Egain Energiedienstleistungen GmbH	Germany	100.0 %
Egain Polska Sp Zoo	Poland	100.0 %
Egain Finland OY	Finland	100.0 %
Kiona Sàrl (former name Alpha Eco)	Switzerland	100.0 %
Socius Management AS	Norway	100.0 %
Cebyc AS	Norway	100.0 %
Cebyc GmbH	Germany	100.0 %
Moldeo AB	Sweden	100.0 %
Kiona LT UAB	Lithuania	100.0 %

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Business combinations

Acquisition of Egain International AB

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

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

(All figures in NOK 1 000)	**Book Value**	**Adjustment**	**Fair value**
Deferred tax asset	1,447		1,447
Goodwill	26,903	-26,903	
Other intangible assets	13,548	-13,548	
Brand name		5,830	5,830
Technology		12,965	12,965
Customer relationships		17,029	17,029
Property, plant and equipment	668		668
Non-current financial assets	1,564	-1,564	
Current assets excluding cash	15,975		15,975
Cash	36,286		36,286
Deferred tax		-4,341	-4,341
Loans and borrowings			
Lease liabilities			
Other non-current liabilities			
Current liabilities	-28,760	360	-28,399
Total net assets	**67,632**	**-10,172**	**57,459**
Fair value of consideration paid			**176,563**
Goodwill			**119,103**

The main factors leading to the recognition of goodwill are:

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

The goodwill recognized will not be deductible for tax purposes.

Since the acquisition date, Egain has contributed TNOK 56 974 to Group revenues and TNOK -4 122 to Group profit.

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Acquisition of Socius Management AS (Cebyc Group)

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

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

(All figures in NOK 1 000)	Book Value	Adjustment	Fair value
Deferred tax asset	10		10
Brand name		2,280	2,280
Technology		4,523	4,523
Customer relationships		26,259	26,259
Property, plant and equipment	85		85
Non-current financial assets			
Current assets excluding cash	4,236		4,236
Cash	9,920		9,920
Deferred tax		-7,907	-7,907
Other non-current liabilities		2,880	2,880
Current liabilities	-14,147		-14,147
Total net assets	**104**	**28,035**	**28,139**
Fair value of consideration paid			**87,000**
Goodwill			**58,861**

The main factors leading to the recognition of goodwill are:

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

The goodwill recognized will not be deductible for tax purposes.

Since the acquisition date, Cebyc has contributed TNOK 16 742 to Group revenues and TNOK - 2 363 to Group profit.

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Acquisition of Moldeo AB

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

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

(All figures in NOK 1 000)	Book Value	Adjustment	Fair value
Goodwill			
Brand name		2,600	2,600
Technology		4,288	4,288
Customer relationships		19,242	19,242
Current assets excluding cash	2,917		2,917
Cash	8,116		8,116
Deferred tax		-5,383	-5,383
Current liabilities	-3,659		-3,659
Total net assets	**7,374**	**20,747**	**28,121**
Fair value of consideration paid			**87,500**
Goodwill			**59,379**

The main factors leading to the recognition of goodwill are:

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

The goodwill recognized will not be deductible for tax purposes.

Since the acquisition date, Moldeo has contributed TNOK 13,554 to group revenues and TNOK 3,454 to group profit.

Minor acquisitions

In addition the acquisitions listed above the Group acquired Alpha Eco for a consideration of TNOK 16 900. A goodwill amount of TNOK 9 100 and customer relationship of TNOK 9 000 was recognized based on this business combination.

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Note 20 Events After The Reporting Date

On March 29, 2022, Kiona AS held an Extraordinary General Assembly where the Shareholders approved to change company name from Kiona AS to Kiona Holding AS. In the same Extraordinary General Assembly, a capital increase of MNOK 7.5 was approved. Price per share was set to NOK 157.44, with a total of 47.940 shares to be issued. This capital increase was related to an offer to all Kiona employees with an employment of minimum 50% in Kiona Group (Kiona Incentive Scheme). The capital increase was registered in the Company House on May 6. All employees that subscribed for shares were also given warrants to buy same number of shares with a price of NOK 157.44 with a vesting period of 2 years, given that the subscribers are still employed in Kiona Group with an employment of minimum 50%. The warrants was also approved by the Shareholders in the meeting on March 29.

On April 4, the following companies in Norway; IWMAC AS, Cebyc AS and Socius Management AS merged into IWMAC AS. On May 6 IWMAC AS held an Extraordinary General Assembly where the Shareholders approved to change company name from IWMAC AS to Kiona AS and was registered in the Company House on June 9. Later this year the Company will merge the Swedish entities and rename the merged company to Kiona AB. In Germany we will merge the entities and rename to Kiona GmbH. The entity in Denmark was in May renamed to Kiona A/S and the other legal entities in the Group will be renamed to Kiona the coming months.

The current conflict in Ukraine and sanctions against Russia and Belarus have led to increased energy prices in Europe, and the current outlook both on short and long terms is a higher level of energy prices in Europe than we have seen historically. This will have an impact for Kiona since the European countries needs to reduce energy consumption in addition to develop new energy resources to meet the imbalance in the energy market. It is likely we will see more EU regulations of saving energy and reduce emission and most regulatory changes are overall more likely to be positive to Kiona than negative. Since buildings account for 40% of Europe's emissions, mainly from heating and cooling, and 75% of all buildings are energy inefficient it is likely that we will see an increase of demand for the Kiona products and services, and we are already seen some effects of this from newly added opportunities. Other than this we have no clients in Russia, Belarus or Ukraine and no operations in these countries, but we will most likely see a price increase of hardware we offer our clients. Overall, we are more positive than negative affected by the unfortunate situation in Ukraine.

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Note 21 Changes in Accounting Policies

The companies financial statement for 2021 is the first prepared in accordance with IFRS The change in accounting policies are made based on the regulation in IFRS 1. According to IFRS 1 all IFRS standards should be applied retrospectively unless one of the allowed exceptions in IFRS 1 is applied.

Exemptions applied:

Kiona has elected to apply the exception in IFRS 1.D9B for recognition of leases in accordance with IFRS 16. The company has measured the lease liabilities at the date of transition at the present value of the remaining lease payments discounted by the incremental borrowing rate at the date of transition. The right of use asset is measured at the same amount as the lease liability.

(All figures in NOK 1000)	Amount	Note
Reconciliation of equity at the date of transition to IFRS		
Equity as of 31.12.2019 (01.01.2020) Previous GAAP	**33,008**	
Effect of transition to IFRS		
Adjustment to revenue recognition	-64,471	A
Contract cost	30,262	A
Leasing		
-Right of use asset	5,149	B
-Lease liabilities	-5,149	B
Deferred tax	7,383	C
Correction of errors	-23	
Total effect of transition to IFRS	**-26,848**	
Equity as of 01.01.2020 - IFRS	**6,160**	
Reconciliation of equity at the latest period presented in the most recent annual financial statements		
Equity as of 31.12.2020 - Previous gaap	**34,394**	
Effect of transition to IFRS		
Adjustment to revenue recognition	-73,686	A
Contract cost	34,725	A
Leasing		B
-Right of use asset	4,012	
-Lease liabilities	-4,083	
Deferred tax	8,407	C
Correction of errors	-470	
Total effect of transition to IFRS	**-31,095**	
Equity as of 01.01.2020 - IFRS	**3,300**	

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(All figures in NOK 1000)	Amount	Note
Reconciliation of comprehensive income in the most recent annual financial statements.		
Profit for the period - Previous gaap	**708**	
Effect of transition to IFRS		
Adjustment to revenue recognition	-6,961	A
Contract cost	3,314	A
Leasing		B
-Reversal of lease payments expensed	2,437	B
-Depreciation of right of use asset	-2,279	B
-Interest on lease liabilities	-230	B
Deferred tax	797	C
Total effect of transition to IFRS	**-2,922**	
Total comprehensive income - IFRS	**-2,214**	

Notes to the reconciliation of equity at the date of transition to IFRS

A. Effect of implementing IFRS 15 Revenues from contracts with customers

Under IFRS 15 revenue is recognized when performance obligations are satisfied. Under previous GAAP part of the revenues where recognized based on worked performed. As the work performed related to the invoiced amount does not qualify as a performance obligation under IFRS 15 these invoiced amounts are deferred under IFRS 15, the associated cost are capitalized as an asset. These resulted in the following effect from the implementation of new accounting policies.

(All figures in NOK 1000)	Amount	Note
Deferred revenue 01.01.2020	**-64,471**	**A**
Increase in deferred revenue	-33,460	
Deferred revenue reversed in the period	26,499	
Net effect in the income statement	**-6,961**	
Translation differences	-2,254	A
Deferred revenue 31.12.2020	**-73,686**	**A**
Contract cost asset 01.01.2020	**30,262**	**A**
Increase during the period	15,757	
Reversed during the period	-12,444	
Net effect in the income statement	**3,314**	
Translation differences	1,149	A
Contract cost asset 01.01.2020	**34,725**	**A**

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B. Accounting for leases under IFRS 16

According to IFRS 16 a right of use asset and a lease liability should be recognized at commencement of all leased, with an voluntary exception for short term lease and small item leases. In subsequent periods the right of use assets are depreciated. Lease payment are split between down payment of lease liabilities and interest expense. Under previous gaap lease payment was expensed on a straight line basis over the lease period. These resulted in the following effect from the implementation of new accounting policies.

(All figures in NOK 1000)		Note
Right of use asset 01.01.2020	**5,149**	**B**
Increase in right of use assets	919	
Depreciation	-2,265	B
Translation differences	208	
Right of use asset 31.12.2020	**4,012**	**B**
Lease liabilities 01.01.2020	**5,149**	**B**
Increase in lease liabilities	919	
Interest during the period	190	B
Lease payments	-2,408	B
Translation differences	235	
Lease liabilities 31.12.2020	**4,085**	**B**

C. Change in deferred tax

Deferred tax should be recognized for all temporary differences. The changes described under A and B resulted in a corresponding change in deferred tax.

Implementation effect from:	**01/01/2020**	**31/12/2020**	**31/12/2021**
(All figures in NOK 1000)			
Deferred revenue	64,471	6,961	73,686
Contract cost	-30,262	-3,314	-34,725
Lease payments		-2,437	
Right of use asset	5,149	2,279	4,012
Lease liability	-5,149	230	-4,083
Changes in temporary differences	**34,208**	**3,719**	**38,889**
Changes in deferred tax asset	**7,383**	**797**	**8,407**
Tax rate	21.6 %	21.4 %	21.6 %

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Appendix

Alternative Performance Measures

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020
Continuing Operations			
Recurring revenues from contract with customers	5	167,614	83,405
Other revenues from contracts with customers	5	11,366	
Other operating income		329	
Total Operating income	**5**	**179,309**	**83,405**
Operating Expenses			
Cost of goods sold		21,431	6,455
Personnel expenses	6	102,291	45,040
Other operating expenses		29,676	16,590
Total Expenses		**153,399**	**68,085**
EBITDA adjusted		**25,910**	**15,320**
One-time expenses		28,207	2,297
EBITDA		**-2,297**	**13,023**
Depreciation and amortisation expense	9, 10,16	31,515	14,840
EBIT		**-33,811**	**-1,817**
Finance Income and Expense			
Finance income	7	1,104	347
Finance expense	7	13,489	944
Net finance income and expense		**-12,385**	**-597**
Profit before tax		**-46,196**	**-2,414**
Tax expense	8	-7,417	-200
Profit		**-38,779**	**-2,214**
Other comprehensive income			
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		-4,590	-664
Total comprehensive income		**-43,369**	**-2,878**
Total comprehensive income attributable to:			
Owners of the parent		-43,369	-2,878

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Financial Statements

Kiona Holding AS

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Statement of Profit or Loss

For the year ended 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020
Continuing operations			
Other operating income	5	19,271	
Total Operating income	**5**	**19,271**	**-**
Operating expenses			
Employee benefit expenses	6	716	945
Other operating expenses	7	43,212	17
Operating profit before depreciation and amortisations (EBITDA)		**-24,657**	**-962**
Depreciation and amortisation expense	10	10 297	
Operating profit		**-34,954**	**-962**
Finance income and expense			
Finance income	8	799	1,463
Finance expense	8	11,816	240
Net finance income and expense		**-11,017**	**1,222**
Profit before tax		**-45,971**	**260**
Tax expense	9	-8,378	57
Profit		**-37,593**	**203**
Other comprehensive income			
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations			
Total Comprehensive Income		**-37,593**	**203**

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Statement of Financial Position

As of 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020	01.01.2020
Assets				
Non-current assets				
Intangible assets				
Development	10	34,683		
Licenses, patents etc.	10	18,048		
Deferred tax asset	9	7,765	1,212	1,212
Total intangible assets		**60,497**	**1,212**	**1,212**
Non-current financial assets				
Investments in subsidiaries	4, 11	391,703	4,497	4,294
Loan to group companies	11		6,913	6,913
Receivables from group companies	11		47,469	46,491
Total non-current financial assets		**391,703**	**58,880**	**57,699**
Total Non-Current assets		**452,200**	**60,092**	**58,911**
Current assets				
Other short term receivables	4, 12	116	19	19
Receivables from group companies	11	33,583	10,000	0
Cash and cash equivalents	4, 13	168	199	1,850
Total Cash and cash equivalents		**33,867**	**10,218**	**1,869**
Total current assets		**33,867**	**10,218**	**1,869**
Total assets		**486,067**	**70,310**	**60,780**

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Statement of Financial Position

As of 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020	01.01.2020
Equity and liabilities				
Equity				
Issued capital and reserves attributable to owners of the parent				
Share capital	14	660	401	365
Share premium reserve	14	256,113	35,272	24,849
Other equity		-29,132	8,461	18,699
Total equity		**227,641**	**44,135**	**43,913**
Non-Current Liabilities				
Liabilities to financial institutions		0	3,571	5,000
Liabilities to group companies	4, 11	145,430	8,128	8,128
Total non-current liabilities		**145,430**	**11,699**	**13,128**
Current liabilities				
Trade payables	4	232		
Liabilities to group companies	4, 11	110,963	3,943	
Dividends	14		10,441	
Other current liabilities		1,801	92	3,739
Total Current Liabilities		**112,995**	**14,476**	**3,739**
Total Liabilities		**258,426**	**26,175**	**16,867**
Total equity and liabilities		**486,067**	**70,310**	**60,780**

Trond Øystein Bjørnnes
CEO

Kent Zehetner
Chair

Leif Mikael Anjou
Director

Gisle Glück Evensen
Director

Guro Solem
Director

Morten Lund
Director

Magnus Bang Svendsen
Director

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Statement of Changes in Equity

(All figures in NOK 1000)	Note	Share capital	Share premium	Foreign exchange reserve	Other Equity	Total Equity
1. January 2020		**365**	**24,849**		**18,699**	**43,913**
Profit from continuing operations					203	203
Other comprehensive Income						0
Total comprehensive Income for the year		**-**	**-**		**203**	**203**
Dividends					-10,441	-10,441
Capital increase		37	10,423			10,459
Contributions by and distributions to owners		**37**	**10,423**		**-10,441**	**18**
31 December 2020		**401**	**35,272**		**8,461**	**44,135**
Profit from continuing operations					-37,593	-37,593
Other comprehensive Income						0
Total Comprehensive Income for the year		**-**	**-**		**-37,593**	**-37,593**
Capital increase		258	220,841			221,099
Net contributions					-	-
Contributions by and distributions to owners		**258**	**220,841**		**-**	**221,099**
31 December 2021		**660**	**256,113**		**-29,132**	**227,641**

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Statement of Cash Flows

For the year ended 31 December 2021

(All figures in NOK 1 000)	Note	2021	2020
Cash flows from operating activities			
Profit for the year		-37,593	203
Adjusted for			
Depreciation and amortisation expense	10	10,297	
Finance income	8		-1,361
Finance expense	8	11,595	
Income tax expense	9	-8,378	57
Decrease in trade and other payables		232	
Increase in provisions and employee benefits		1,612	36
Cash Generated from Operations		**15,358**	**-1,267**
Income tax paid	9		
Net Cash Flows from Operating Activities		**-22,235**	**-1,064**
Investing activities			
Acquisition of subsidiary, net of cash acquired		-166,106	
Purchases of property, plant and equipment	10	-32,074	
Changes in inter-company receivables		39,097	-10,978
Interest received	8		1,361
Net Cash Used in Investing Activities		**-159,083**	**-9,617**
Financing activities			
Changes in non-current inter-company payables		137,302	
Changes in current inter-company payables		69,853	
Repayment of long-term liabilities		-3,571	-1,429
Private placement		0	10,459
Interest paid on loans and borrowings	8	-11,595	
Corporate contribution paid		-260	
Dividends paid to the holders of the parent		-10,441	
Net cash (used in)/from financing activities		**181,288**	**9,031**
Net increase in cash and cash equivalents		**-31**	**-1,651**
Cash and cash equivalents at beginning of year		**199**	**1,850**
Cash and cash equivalents at end of year		**168**	**199**

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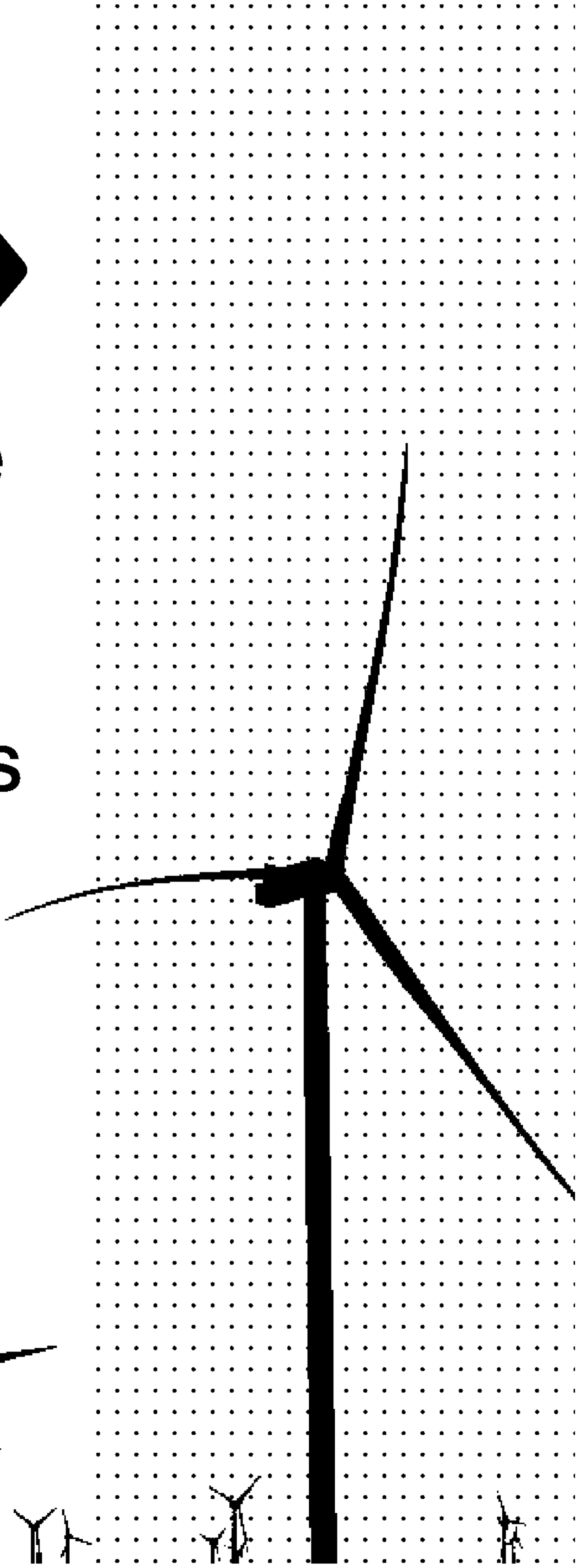
Notes to the Financial Statements

Kiona Holding AS

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Note 1 General Information

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

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

This year's financial statements were approved for issue by the Board of Directors on 16 June 2022.

Note 2 Critical Accounting Estimates and Judgements

The preparation of financial statements requires management to make some assessments, calculate estimates and set assumptions that affect the amounts reported in the financial statements and in the corresponding notes. Management bases its estimates and assessments on historical experience, as well as a number of other factors considered relevant in the situation. This in turn forms the basis for the assessments made related to the carrying amount of assets and liabilities where this is not obviously available from other sources. The main areas of assessment and estimation with uncertainty on the balance sheet date, which have a significant risk of creating significant change in the carrying amount of assets and receivables during the next financial year, apply to:

Note 3.1 Accounting Policies

General

Basis for Preparation

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

The financial statements for 2021 are the first financial statements prepared in accordance with "simplified IFRS", details on the effect of implementing the new accounting policies are included in note 16.

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

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

Functional currency and Presentation Currency

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

Foreign currency

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

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

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

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

Revenues

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

Classification of balance sheet items

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

Financial assets

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

Amortised cost

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

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

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

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

Investments in subsidiaries

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

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

Financial liabilities

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

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Fair value through profit or loss

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

Other financial liabilities

Other financial liabilities include the following items:

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

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

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

Inventories

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

Intangible assets

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

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

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

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

Taxes

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

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

Tax payable and deferred tax/deferred

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tax assets are calculated at the tax rate applicable in Norway.

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

Cash flow statement

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

Events after the balance sheet date

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

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Note 3.2 Changes In Accounting Policies

New standards, interpretations and amendments not yet effective

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

Note 4 Financial Instruments - Risk Management

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

- Credit risk
- Interest rate risk
- Foreign exchange risk, and
- Liquidity risk.

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

Principal financial instruments

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

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

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Financial Instruments Based On Category

31.12.2021

(All figures in NOK 1 000)	Financial assets at fair value	Financial asset at amortized cost	Financial liabilities at fair value	Financial liabilities at amortized cost
Assets				
Investment in subsidiaries		391,703		
Loan to Group Companies [1]				
Receivables from Group Companies		33,583		
Current receivables from Group Companies				
Other short term receivables		116		
Cash		168		
Liabilities				
Non current liabilities to Group Companies				145,430
Current liabilities to Group Companies				6,175
Trade payables to Group Companies				30,955
Other current liabilities				75,337
Trade payable, public duties payable and other current liabilities				232

31.12.2020

(All figures in NOK 1 000)	Financial assets at fair value	Financial asset at amortized cost	Financial liabilities at fair value	Financial liabilities at amortized cost
Assets				
Investment in subsidiaries		4,497		
Loan to Group Companies		6,913		
Receivables from Group Companies		47,469		
Current receivables from Group Companies		10,000		
Other short term receivables		19		
Cash		199		
Liabilities				
Debt to financial institutions				3,571
Non current liabilities to Group Companies				3,943
Other current liabilities				92
Trade payable, public duties payable and other current liabilities				

[1] Loan to Group Companies matures later than 5 years.

Fair value of financial instruments recognized at amortized cost

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

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Note 5 Revenues From Contracts With Customers

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

Disaggregation based on type of customers

Revenues based on geographic location of customers

(All figures in NOK 1 000)	2021	2020
Norway	17,053	
Sweden	2,219	
Other		
Total	**19,271**	-

Revenues by product or service

(All figures in NOK 1 000)	2021	2020
Sale of goods		
Sale of service	19,271	
Total	**19,271**	-

Timing of revenue recognition

(All figures in NOK 1 000)	2021	2020
Point in time	19,271	
Over time		
Total	**19,271**	-

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Note 6 Employee Benefit Expenses

(All figures in NOK 1 000)	2021	2020
Salaries		
Social security expenses		
Contribution to pension schemes		
Fees for external staff		
Other expenses		
Total	-	-

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

Key management compensation 2021

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

Key management compensation 2020

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

Pension

Compensation to board members 2021

(All figures in NOK 1 000)	
Board members	716

Compensation to board members 2020

(All figures in NOK 1 000)	
Board members	945

Audit fees

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

(All figures in NOK 1 000)	2021	2020
Statutory audit	228	25
Other assurance services	108	
Other non-assurance services		
Total	**337**	**25**

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Note 7 Other Operating Expenses

	2021	2020
Sales, marketing costs	1,266	
Other operating costs	41,923	17
Insurance, credit losses and related expenses	23	
Total	**43,212**	**17**

Note 8 Finance Income And Expense

Finance income

	2021	2020
Interest income		1,361
Foreign exchange gains	799	102
Other finance income		
Total finance income	**799**	**1,463**

Finance expense

	2021	2020
Interest on debts and borrowings	11,595	
Other interest expenses		
Foreign exchange losses	188	
Other finance expense	32	240
Total finance expense	**11,816**	**240**

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Note 9 Income Tax

(All figures in NOK 1 000)	**2021**	**2020**
Taxable income		
Result from continued operations	-45,971	260
Result from discontinued operations		
Non taxable items (1)	7,890	
Changes in temporary differences		
Received intra-group contribution	8,297	
Provided intra-group contribution		-260
Taxable income	**-29,784**	**-**
Income tax expense:		
Current income tax		
Payable tax		57
Taxes from corporate contribution	-1,825	
Changes in deferred tax	-6,553	
Total	**-8,378**	**57**
Income tax expenses from discontinued operations		
Income tax expense from continuing operations		
Total income tax expense from continued operation	**-**	**-**

Temporary differences and tax positions

	2021	**2020**
Tangible assets		
Accounts receivable	-5,511	-5,511
Total temporary differences and tax positions	**-5,511**	**-5,511**
Accumulated loss to be brought forward	-29,784	
Basis for deferred tax	-35,295	-5,511
Net deferred tax	**-7,765**	**-1,212**
Specification in the statement of financial position		
Payable tax on this years result		57
Payable tax on provided Group contribution		-57
Payable tax on received Group contribution		
Deferred tax asset	-7,765	-1,212
Deferred tax		
Net deferred tax	**-7,765**	**-1,212**

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Tax payable in the statement of financial position

Current income tax payable		
Prepaid tax		
Net tax payable	**-**	**-**

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

Reconciliation of effective tax rate

(All figures in NOK 1 000)	**2021**	**2020**
Result before tax	-45,971	260
Income tax based on applicable tax rate (22%)	**-10,114**	**57**
Effect from foreign currency and different tax rates		
Changes in not recognized tax loss carried forward		
Not deductible expenses	1,736	
Not taxable income		
Income tax expense	**-8,378**	**57**
Effective tax rate	18.2 %	22.0 %

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Note 10 Intangible Assets

(All figures in NOK 1 000)	Licenses, patents etc	Development	Total
Cost as of. 31.12.2019	-	-	-
Additions			
Disposals			
Foreign currency effects			
Cost as of 31.12.2020	-	-	-
Additions	21,153	41,875	63,029
Disposals			-
Foreign currency effects			-
Cost as of 31.12.2021	**21,153**	**41,875**	**63,029**
Accumulated depreciation and impairments as of 31.12.2019	-	-	-
Depreciation			
Impairments			
Disposals			
Foreign currency effects			
Accumulated depreciation and impairments as of 31.12.2020	-	-	-
Depreciation	-3,105	-7,192	-10,297
Impairments			
Disposals			
Foreign currency effects			
Accumulated depreciation and impairments as of 31.12.2021	**-3,105**	**-7,192**	**-10,297**
Carrying amount as of 31.12.2019	-	-	-
Carrying amount as of 31.12.2020	-	-	-
Carrying amount as of 31.12.2021	**18,048**	**34,684**	**52,732**
Economic life	5 year	5 year	
Depreciation method	Linear	Linear	

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

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Note 11 Subsidiaries and Inter-Company Balances

Subsidiaries	Country of incorporation	Proportion of ownership	
		2021	2020
Kiona AS	Norway	100,0 %	100,0 %
Iwmac AB	Sweden	100,0 %	100,0 %
UAB Kiona LT	Litauen	100,0 %	0%
Egain International AB	Sweden	100,0 %	0%
Socius Management AS	Norway	100,0 %	0%
Moldeo AB	Sweden	100,0 %	0%

	2021			2020		
(All figures in NOK 1 000)	Carrying amount	Equity	Profit (-loss)	Carrying amount	Equity	Profit(-loss)
Kiona AS	33,524	15,769	7,331	3,524	-21,562	-1,324
Iwmac AB	7,886	2,264	94	973	2,327	111
UAB Kiona LT	26	30	5			
Egain International AB	176,563	42,598	-14,184			
Socius Management AS	87,000	6,246	7,889			
Moldeo AB	86,704	10,644	3,454			
Total	**391,703**			**4,497**		

Receivables

(All figures in NOK 1 000)	2021	2020
Non-current: Loans to group companies		
Iwmac AB		6,913
Non-current: Receivables from group companies		
Kiona AS		47,469
Current: Receivables from group companies		
Kiona AS	13,995	10,000
Iwmac AB	64	
Socius Management AS	8,297	
Cebyc Gmbh (own by Socius Management AS)	766	
Cebyc AS (own by Socius Management AS)	6,547	
Moldeo AB	2,694	
Egain International AB	1,220	
Total (current receivables from group companies)	**33,583**	**10,000**

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Payables

(All figures in NOK 1 000)	2021	2020
Non-current: Liabilities to group companies		
Kiona AS	137,676	8,128
Iwmac AB	7,754	
Total	**145,430**	**8,128**
Current: Liabilities to group companies		
Kiona AS	62,480	3983
Iwmac AB	2,300	
Cebyc Gmbh (own by Socius Management AS)	8	
Socius Management AS	11,377	
Moldeo AB	4,093	
Egain International AB	30,704	
Total	**110,963**	**3,983**

Related party transactions

(All figures in NOK 1 000)

2021

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

2020

Related party	Company	Description	Relation	Amounts owed to related parties	Amount owed by related parties
Towering Cumulus AS	Kiona AS	Consultancy	Shareholder	256	
Pivot Invest AS	Kiona Holding AS	Consultancy	Shareholder	1,988	
Byggteknikk Prosjekt AS	Kiona AS	Rent	Shareholder	1,932	
Total				**4,176**	-

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Note 12 Trade And Other Receivables

Trade receivables

(All figures in NOK 1 000)	2021	2020
Other short term receivables	116	19
Less: Provision for impairment of trade receivables		
Net trade receivables	**116**	**19**

	2021	2020
Receivables written off during the years		
Collected on receivables written of in prior periods		
Changes in provision during the year		
Impairment loss during the year	-	-

There is no found losses in trade receivables and no calculated expected loss provision for trade receivables in the years 2020 and 2021.

Note 13 Cash And Cash Equivalents

Cash at hand and on demand bank deposits

(All figures in NOK 1 000)	2021	2020
Cash at hand and on demand bank deposits	168	199

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Note 14 Share Capital And Shareholders

(All figures in NOK 1 000)	2021	2020	2019
Share capital	660	401	365
Treasury shares			
Share premium	256,113	35,272	24,849
Total paid in capital	**256,773**	**35,674**	**25,214**

(All figures in NOK 1 000)	2021	2020	2019
Dividends paid	**10,441**	-	-

Shareholders holding 1% or more of the Share capital:	No. of shares	% of total
eGain Group AB	1,499,414	31.7 %
Byggteknikk Drift AS	1,411,538	29.8 %
Pivot Invest AS	291,641	6.2 %
Bjørnnes AS	241,919	5.1 %
Summa Energy Investments AB	234,633	5.0 %
Stangvik AS	195,886	4.1 %
Jonicore AB	157,347	3.3 %
Lars G Larsen	112,698	2.4 %
Marine AS	102,760	2.2 %
Magnusmagnus AS	94,967	2.0 %
Nyvoll Invest AS	92,515	2.0 %
X3M Design AB	56,650	1.2 %
HIWI AB	55,780	1.2 %
Total	**4,547,748**	**96.2 %**
Others	181,383	3.8 %
Total shares	**4,729,131**	**100.0 %**

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As at 31 December **2021**, the parent company's share capital compromised:

Nominal value per share	0.1395
Total number of shares	4,729,131
Share capital in NOK 1 000	660

Shares owned by members of the board and directors

Name	Title	Shares	Shareholding
Trond-Øystein Bjørnnes *	CEO		
Kent Zehetner **	Chair		
Leif Mikael Anjou	Board member	200	0.0 %
Guro Solem	Board member	200	0.0 %
Morten Lund	Board member	205	0.0 %

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

** Kent Zehetner owns indirectly through Pivot Invest AS. Zehetner owns 50 % of Pivot Invest AS.

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Note 15 Events After the Reporting Date

On March 29, 2022, Kiona AS held an Extraordinary General Assembly where the Shareholders approved to change company name from Kiona AS to Kiona Holding AS. In the same Extraordinary General Assembly, a capital increase of MNOK 7.5 was approved. Price per share was set to NOK 157.44, with a total of 47.940 shares to be issued. This capital increase was related to an offer to all Kiona employees with an employment of minimum 50% in Kiona Group (Kiona Incentive Scheme). The capital increase was registered in the Company House on May 6. All employees that subscribed for shares were also given warrants to buy same number of shares with a price of NOK 157.44 with a vesting period of 2 years, given that the subscribers are still employed in Kiona Group with an employment of minimum 50%. The warrants was also approved by the Shareholders in the meeting on March 29.

On April 4, the following companies in Norway; IWMAC AS, Cebyc AS and Socius Management AS merged into IWMAC AS. On May 6 IWMAC AS held an Extraordinary General Assembly where the Shareholders approved to change company name from IWMAC AS to Kiona AS and was registered in the Company House on June 9. Later this year the Company will merge the Swedish entities and rename the merged company to Kiona AB. In Germany we will merge the entities and rename to Kiona GmbH. The entity in Denmark was in May renamed to Kiona A/S and the other legal entities in the Group will be renamed to Kiona the coming months.

The current conflict in Ukraine and sanctions against Russia and Belarus have led to increased energy prices in Europe, and the current outlook both on short and long terms is a higher level of energy prices in Europe than we have seen historically. This will have an impact for Kiona since the European countries needs to reduce energy consumption in addition to develop new energy resources to meet the imbalance in the energy market. It is likely we will see more EU regulations of saving energy and reduce emission and most regulatory changes are overall more likely to be positive to Kiona than negative. Since buildings account for 40% of Europe's emissions, mainly from heating and cooling, and 75% of all buildings are energy inefficient it is likely that we will see an increase of demand for the Kiona products and services, and we are already seen some effects of this from newly added opportunities. Other than this we have no clients in Russia, Belarus or Ukraine and no operations in these countries, but we will most likely see a price increase of hardware we offer our clients. Overall, we are more positive than negative affected by the unfortunate situation in Ukraine.

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Note 16 Changes in Accounting Policies

The company's financial statement for 2021 is the first prepared in accordance with Section 3-9 of the Accounting Act and the Regulation on Simplified application of IFRS (2014) laid down by the Ministry of Finance on 3 November 2014 (current gaap). The change in accounting policies are made based on the regulation in IFRS 1. According to IFRS 1 all IFRS standards should be applied retrospectively unless one of the allowed exceptions in IFRS 1 is applied. There where no effect of transition to the current gaap.

(All figures in NOK 1 000)	Amount	Note
Reconciliation of equity at the date of Transition to current GAAP		
Equity as of 31.12.2019 (01.01.2020) - Previous GAAP	**43,913**	
Effect of transition		
Total effect of transition		
Equity as of 01.01.2020 - Current GAAP	**43,913**	
Reconciliation of equity at the latest period presented in the most recent annual financial statements		
Equity as of 31.12.2020 - Previous GAAP	**44,135**	
Effect of transition		
Total effect of transition		
Equity as of 31.12.2020 - Current GAAP	**44,135**	
Reconciliation of comprehensive income in the most recent annual financial statements.		
Profit for the period - Previous GAAP	**0.2**	
Effect of transition		
Total effect of transition		
Total comprehensive income - Current GAAP	**0.2**	

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To the General Meeting of Kiona Holding AS

INDEPENDENT AUDITOR'S REPORT

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

- The financial statements of the parent company Kiona Holding AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Kiona Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2021, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 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 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.

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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.

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

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

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

Trondheim, 30 June 2022
Deloitte AS

Jon Bjørnaas
State Authorised Public Accountant