



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

|                      |                                |
|----------------------|--------------------------------|
| Organisasjonsnummer: | 976 584 201                    |
| Organisasjonsform:   | Aksjeselskap                   |
| Foretaksnavn:        | NEVION AS                      |
| Forretningsadresse:  | Lysaker torg 5<br>1366 LYSAKER |

### Regnskapsår

|                         |                         |
|-------------------------|-------------------------|
| Årsregnskapets periode: | 01.01.2020 - 31.12.2020 |
|-------------------------|-------------------------|

### Konsern

|                           |    |
|---------------------------|----|
| Mørselskap i konsern:     | Ja |
| Konsernregnskap lagt ved: | Ja |

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

|  |                |
|--|----------------|
| Bekreftet av representant for selskapet: | Jørgen Mørkved |
| Dato for fastsettelse av årsregnskapet:  | 24.06.2021     |

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 21.11.2022



## Resultatregnskap

| Beløp i: NOK   | Note        | 2020               | 2019               |
|--|-------------|--------------------|--------------------|
| <b>RESULTATREGNSKAP</b>                                      |             |                    |                    |
| <b>Inntekter</b>   |             |                    |                    |
| Salgsinntekt   | 10          | 261 975 124        | 309 982 987        |
| <b>Sum inntekter</b>   |             | <b>261 975 124</b> | <b>309 982 987</b> |
| <b>Kostnader</b>   |             |                    |                    |
| Varekostnad  | 7           | 119 957 276        | 159 602 062        |
| Lønnskostnad   | 2, 11       | 91 784 046         | 76 390 464         |
| Avskrivning på varige driftsmidler og immaterielle eiendeler | 2, 3        | 40 851 082         | 50 527 883         |
| Annen driftskostnad  | 2, 3,<br>12 | 35 434 695         | 58 806 026         |
| <b>Sum kostnader</b>   |             | <b>288 027 099</b> | <b>345 326 435</b> |
| <b>Driftsresultat</b>  |             | <b>-26 051 975</b> | <b>-35 343 448</b> |
| <b>Finansinntekter og finanskostnader</b>                    |             |                    |                    |
| Annen finansinntekt  | 15, 17      | 8 789 073          | 20 400 246         |
| <b>Sum finansinntekter</b>                                   |             | <b>8 789 073</b>   | <b>20 400 246</b>  |
| Annen finanskostnad  | 17          | 9 587 092          | 20 384 974         |
| <b>Sum finanskostnader</b>                                   |             | <b>9 587 092</b>   | <b>20 384 974</b>  |
| <b>Netto finans</b>  |             | <b>-798 019</b>    | <b>15 272</b>      |
| <b>Ordinært resultat før skattekostnad</b>                   |             | <b>-26 849 994</b> | <b>-35 328 176</b> |
| Skattekostnad på ordinært resultat                           | 9           | -4 891 882         | -8 178 609         |
| <b>Ordinært resultat etter skattekostnad</b>                 |             | <b>-21 958 112</b> | <b>-27 149 567</b> |
| <b>Årsresultat</b>   | 1           | <b>-21 958 112</b> | <b>-27 149 567</b> |
| <b>Overføringer og disponeringer</b>                         |             |                    |                    |
| Overføringer til/fra annen egenkapital                       |             | -21 958 112        | -27 149 567        |
| <b>Sum overføringer og disponeringer</b>                     |             | <b>-21 958 112</b> | <b>-27 149 567</b> |



## Balanse

| Beløp i: NOK                                   | Note | 2020               | 2019               |
|--|------|--------------------|--------------------|
| <b>BALANSE - EIENDELER</b>                     |      |                    |                    |
| <b>Anleggsmidler</b>                           |      |                    |                    |
| <b>Immaterielle eiendeler</b>                  |      |                    |                    |
| Forskning og utvikling                         | 2    | 105 377 337        | 104 516 958        |
| Utsatt skattefordel                            | 9    | 15 350 264         | 10 458 382         |
| Goodwill                                       | 2    | 14 425 595         | 23 125 595         |
| <b>Sum immaterielle eiendeler</b>              |      | <b>135 153 196</b> | <b>138 100 935</b> |
| <b>Varige driftsmidler</b>                     |      |                    |                    |
| Maskiner og anlegg                             | 3    | 2 224 797          | 2 165 032          |
| <b>Sum varige driftsmidler</b>                 |      | <b>2 224 797</b>   | <b>2 165 032</b>   |
| <b>Finansielle anleggsmidler</b>               |      |                    |                    |
| Investering i datterselskap                    | 5, 6 | 1 753 468          | 1 753 468          |
| Lån til foretak i samme konsern                | 5, 6 | 77 916 220         | 85 625 752         |
| Investeringer i aksjer og andeler              |      |                    | 1                  |
| <b>Sum finansielle anleggsmidler</b>           |      | <b>79 669 688</b>  | <b>87 379 221</b>  |
| <b>Sum anleggsmidler</b>                       |      | <b>217 047 681</b> | <b>227 645 188</b> |
| <b>Omløpsmidler</b>                            |      |                    |                    |
| <b>Varer</b>                                   |      |                    |                    |
| Varer  | 6, 7 |                    | 2 156 638          |
| <b>Sum varer</b>                               |      |                    | <b>2 156 638</b>   |
| <b>Fordringer</b>                              |      |                    |                    |
| Kundefordringer                                | 6    | 112 685 401        | 124 751 479        |
| Andre fordringer                               | 9    | 10 794 648         | 6 058 231          |
| <b>Sum fordringer</b>                          |      | <b>123 480 049</b> | <b>130 809 710</b> |
| <b>Bankinnskudd, kontanter og lignende</b>     |      |                    |                    |
| Bankinnskudd, kontanter og lignende            | 4    | 11 460 811         | 10 997 885         |
| <b>Sum bankinnskudd, kontanter og lignende</b> |      | <b>11 460 811</b>  | <b>10 997 885</b>  |
| <b>Sum omløpsmidler</b>                        |      | <b>134 940 860</b> | <b>143 964 233</b> |



## Balanse

| Beløp i: NOK                          | Note  | 2020               | 2019               |
|---------------------------------------|-------|--------------------|--------------------|
| <b>SUM EIENDELER</b>                  |       | <b>351 988 541</b> | <b>371 609 421</b> |
| <b>BALANSE - EGENKAPITAL OG GJELD</b> |       |                    |                    |
| <b>Egenkapital</b>                    |       |                    |                    |
| <b>Innskutt egenkapital</b>           |       |                    |                    |
| Selskapskapital                       | 1, 8  | 6 953 197          | 6 953 197          |
| Beholdning av egne aksjer             | 1, 8  | -16 611            | -16 611            |
| Overkurs                              | 1, 8  | 143 468 999        | 143 468 999        |
| <b>Sum innskutt egenkapital</b>       |       | <b>150 405 585</b> | <b>150 405 585</b> |
| <b>Opptjent egenkapital</b>           |       |                    |                    |
| Annen egenkapital                     | 1, 8  | 63 893 387         | 85 851 503         |
| <b>Sum opptjent egenkapital</b>       |       | <b>63 893 387</b>  | <b>85 851 503</b>  |
| <b>Sum egenkapital</b>                |       | <b>214 298 972</b> | <b>236 257 088</b> |
| <b>Sum langsiktig gjeld</b>           |       | <b>0</b>           | <b>0</b>           |
| <b>Kortsiktig gjeld</b>               |       |                    |                    |
| Gjeld til kredittinstitusjoner        |       |                    | 1 561 129          |
| Leverandørgjeld                       | 6     | 55 520 843         | 78 599 598         |
| Skyldige offentlige avgifter          |       | 10 905 625         | 6 560 365          |
| Kortsiktig konserngjeld               |       | 18 000 000         |                    |
| Annen kortsiktig gjeld                | 6, 13 | 53 263 101         | 48 631 241         |
| Gjeld til aksjonær                    |       |                    |                    |
| <b>Sum kortsiktig gjeld</b>           |       | <b>137 689 569</b> | <b>135 352 333</b> |
| <b>Sum gjeld</b>                      |       | <b>137 689 569</b> | <b>135 352 333</b> |
| <b>SUM EGENKAPITAL OG GJELD</b>       |       | <b>351 988 541</b> | <b>371 609 421</b> |



### Konsernets resultatregnskap

| Beløp i: NOK   | Note        | 2020               | 2019               |
|--|-------------|--------------------|--------------------|
| <b>RESULTATREGNSKAP</b>                                      |             |                    |                    |
| <b>Inntekter</b>   |             |                    |                    |
| Salgsinntekt   | 10          | 302 034 471        | 351 221 882        |
| <b>Sum inntekter</b>   |             | <b>302 034 471</b> | <b>351 221 882</b> |
| <b>Kostnader</b>   |             |                    |                    |
| Varekostnad  | 7           | 99 941 679         | 139 842 563        |
| Lønnskostnad   | 2, 11       | 143 885 183        | 118 198 328        |
| Avskrivning på varige driftsmidler og immaterielle eiendeler | 2, 3        | 41 512 641         | 51 055 423         |
| Annen driftskostnad  | 2, 3,<br>12 | 45 395 707         | 73 115 387         |
| <b>Sum kostnader</b>   |             | <b>330 735 210</b> | <b>382 211 701</b> |
| <b>Driftsresultat</b>  |             | <b>-28 700 739</b> | <b>-30 989 819</b> |
| <b>Finansinntekter og finanskostnader</b>                    |             |                    |                    |
| Annen finansinntekt  | 15, 17      | 12 317 207         | 21 865 462         |
| <b>Sum finansinntekter</b>                                   |             | <b>12 317 207</b>  | <b>21 865 462</b>  |
| Annen finanskostnad  | 17          | 18 466 215         | 25 646 138         |
| <b>Sum finanskostnader</b>                                   |             | <b>18 466 215</b>  | <b>25 646 138</b>  |
| <b>Netto finans</b>  |             | <b>-6 149 008</b>  | <b>-3 780 676</b>  |
| <b>Ordinært resultat før skattekostnad</b>                   |             | <b>-34 849 747</b> | <b>-34 770 495</b> |
| Skattekostnad på ordinært resultat                           | 9           | -4 760 281         | -7 516 542         |
| <b>Ordinært resultat etter skattekostnad</b>                 |             | <b>-30 089 466</b> | <b>-27 253 953</b> |
| <b>Årsresultat</b>   | 1           | <b>-30 089 466</b> | <b>-27 253 953</b> |



### Konsernets balanse

| Beløp i: NOK                                   | Note | 2020               | 2019               |
|--|------|--------------------|--------------------|
| <b>BALANSE - EIENDELER</b>                     |      |                    |                    |
| <b>Anleggsmidler</b>                           |      |                    |                    |
| <b>Immaterielle eiendeler</b>                  |      |                    |                    |
| Forskning og utvikling                         | 2    | 104 257 112        | 103 832 629        |
| Utsatt skattefordel                            | 9    | 18 669 980         | 13 637 287         |
| Goodwill                                       | 2    | 14 425 595         | 23 125 595         |
| <b>Sum immaterielle eiendeler</b>              |      | <b>137 352 687</b> | <b>140 595 511</b> |
| <b>Varige driftsmidler</b>                     |      |                    |                    |
| Tomter, bygninger og annen fast eiendom        | 3    | 749 490            | 187 481            |
| Maskiner og anlegg                             | 3    | 3 269 846          | 2 909 228          |
| <b>Sum varige driftsmidler</b>                 |      | <b>4 019 336</b>   | <b>3 096 709</b>   |
| <b>Finansielle anleggsmidler</b>               |      |                    |                    |
| Investeringer i aksjer og andeler              |      |                    | 1                  |
| <b>Sum finansielle anleggsmidler</b>           |      |                    | <b>1</b>           |
| <b>Sum anleggsmidler</b>                       |      | <b>141 372 023</b> | <b>143 692 221</b> |
| <b>Omløpsmidler</b>                            |      |                    |                    |
| <b>Varer</b>                                   |      |                    |                    |
| Varer  | 6, 7 | 19 656 510         | 20 138 814         |
| <b>Sum varer</b>                               |      | <b>19 656 510</b>  | <b>20 138 814</b>  |
| <b>Fordringer</b>                              |      |                    |                    |
| Kundefordringer                                | 6    | 71 037 947         | 65 911 443         |
| Andre fordringer                               | 9    | 14 576 581         | 10 102 208         |
| <b>Sum fordringer</b>                          |      | <b>85 614 528</b>  | <b>76 013 651</b>  |
| <b>Bankinnskudd, kontanter og lignende</b>     |      |                    |                    |
| Bankinnskudd, kontanter og lignende            | 4    | 18 712 380         | 27 159 468         |
| <b>Sum bankinnskudd, kontanter og lignende</b> |      | <b>18 712 380</b>  | <b>27 159 468</b>  |
| <b>Sum omløpsmidler</b>                        |      | <b>123 983 418</b> | <b>123 311 933</b> |
| <b>SUM EIENDELER</b>                           |      | <b>265 355 441</b> | <b>267 004 154</b> |



### Konsernets balanse

| Beløp i: NOK                             | Note  | 2020               | 2019               |
|--|-------|--------------------|--------------------|
| <b>BALANSE - EGENKAPITAL OG GJELD</b>    |       |                    |                    |
| <b>Egenkapital</b>                       |       |                    |                    |
| <b>Innskutt egenkapital</b>              |       |                    |                    |
| Selskapskapital                          | 1, 8  | 6 953 197          | 6 953 197          |
| Beholdning av egne aksjer                | 1, 8  | -16 611            | -16 611            |
| Overkurs                                 | 1, 8  | 143 468 999        | 143 468 999        |
| <b>Sum innskutt egenkapital</b>          |       | <b>150 405 585</b> | <b>150 405 585</b> |
| <b>Opptjent egenkapital</b>              |       |                    |                    |
| Annen egenkapital                        | 1, 8  | -7 086 490         | 16 101 591         |
| <b>Sum opptjent egenkapital</b>          |       | <b>-7 086 490</b>  | <b>16 101 591</b>  |
| <b>Sum egenkapital</b>                   |       | <b>143 319 095</b> | <b>166 507 176</b> |
| <b>Gjeld</b>                             |       |                    |                    |
| <b>Langsiktig gjeld</b>                  |       |                    |                    |
| Utsatt skatt                             | 9     | 209 481            | 220 598            |
| Andre avsetninger for forpliktelser      |       | 602 550            | 4 377              |
| <b>Sum avsetninger for forpliktelser</b> |       | <b>812 031</b>     | <b>224 975</b>     |
| <b>Annen langsiktig gjeld</b>            |       |                    |                    |
| <b>Sum langsiktig gjeld</b>              |       | <b>812 031</b>     | <b>224 975</b>     |
| <b>Kortsiktig gjeld</b>                  |       |                    |                    |
| Gjeld til kredittinstitusjoner           |       | 5 182 196          | 1 561 129          |
| Leverandørgjeld                          | 6     | 26 051 121         | 36 118 416         |
| Betalbar skatt                           | 9     |                    | 46 717             |
| Skyldige offentlige avgifter             |       | 12 534 191         | 7 054 750          |
| Kortsiktig konserngjeld                  | 6, 15 | 18 000 000         |                    |
| Annen kortsiktig gjeld                   | 6, 13 | 59 456 808         | 55 490 991         |
| <b>Sum kortsiktig gjeld</b>              |       | <b>121 224 316</b> | <b>100 272 003</b> |
| <b>Sum gjeld</b>                         |       | <b>122 036 347</b> | <b>100 496 978</b> |
| <b>SUM EGENKAPITAL OG GJELD</b>          |       | <b>265 355 442</b> | <b>267 004 154</b> |



## Konsernets balanse

| <b>Beløp i: NOK</b> | <b>Note</b> | <b>2020</b> | <b>2019</b> |
|---------------------|-------------|-------------|-------------|
|---------------------|-------------|-------------|-------------|

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## Nevion AS

### Board of Director Report 2020

#### The nature and location of the business

The Nevion Group's business concept is to develop, market, sell and deliver competitive and technologically innovative projects, products and services in professional video transport to the international broadcasting and telecommunications market.

At the turn of the year, the group consists of the parent company Nevion AS (Norway) with the wholly owned subsidiaries Best Broadcast AS (Norway), Nevion Sp zoo (Poland), Nevion Asia Pte Ltd (Singapore) with the wholly owned subsidiary Nevion China Ltd, Nevion Ltd (United Kingdom) and Network Electronics Holdings Inc (USA) with the wholly owned subsidiary Nevion USA Inc (USA). The company was established in 1996 and the headquarter is located in modern offices in Lysaker. In late 2020 Sony Imaging Products Solution (Sony) acquired all remaining shares in Nevion and Nevion is since then part of the Sony Corporation Group (Japan).

In 2020, an average of 76 people were employed by Nevion AS. A total of 151 people were employed in the group in 2020. At the end of 2020, there were 78 employees in Nevion AS and 142 employees in the group.

#### Continued operation

In accordance with the Accounting Act § 3-3, it is confirmed that the preconditions for continued operations are present. The assumption is based on the company's financial position at the end of 2020, forecast for turnover and profit in 2021, as well as a long-term strategic plan for the company.

#### Future outlook

2020 was a challenging year for the company with a decrease in turnover of 49,2 MNOK for the group from the previous year. Following a positive Q1 the next two quarters were heavily impacted by the Covid-19 situation before partly recovery towards the end of the year. Even though revenue declined, the underlying activity level remained at a very high level through the year and the company has built up a significant order backlog that ensures traction into 2021. Throughout the year, sales activity has also been high. Many new projects have been qualified and are expected to materialize through 2021. Nevion is well positioned to benefit when the effects of Covid-19 are reduced and the industry recovers.

In 2020 Nevion became a fully owned subsidiary of Sony and the tight cooperation and alignment with Sony means that Nevion will have significantly increased the market access for its technology and solutions. The investment from Sony confirms that the company's strategy and technology are leading the way in the market and are very well positioned to take advantage of the technological change that is increasingly affecting the industry.



In addition to the economic development in the market, important known risk factors that the group deals with are, among other things, the choice of logistics solutions and goods production partners, technology shifts, consolidation among competitors, currency fluctuations, copying of our products and dependence on key personnel. Nevion has a subsidiary in England that serves the British market. The business in this market will be affected by the outcome of the ongoing Brexit process. There is general uncertainty related to how this will affect the business. In 2021, the effect of the Corona virus will continue to have impacted the world's economy but will gradually reduce its presence as vaccinations become widespread.

## Review of the year

The Nevion Group had a total turnover of NOK 302,0 million in 2020 against NOK 351,2 million in 2019, with an operating profit before capitalization of research and development and depreciation and write-downs of -16,6 MNOK against 2,5 MNOK in 2019. Profit before tax was -34,8 MNOK against -34,8 MNOK in 2019. The group's result is affected by amortization of capitalized goodwill, intangible assets, and customer relationships by 39,5 MNOK.

The parent company Nevion AS had a turnover of 262,0 MNOK in 2020 against 310,0 MNOK in 2019, with a profit before tax in 2020 of -26,8 MNOK against -35,3 MNOK in 2019.

The group had total assets of 265,4 MNOK at the end of 2020 against 267,0 MNOK at the end of 2019. Property, plant and equipment have been increased by 0,9 MNOK during the year. Intangible assets excluding deferred tax assets were reduced in 2020 by a net 8,3 MNOK.

The parent company had total assets of 352,0 MNOK at the end of 2020 against 371,6 MNOK at the end of 2019. Property, plant and equipment were increased by 2,9 MNOK during the year. Intangible assets other than deferred tax assets were reduced by a net of NOK 7,8 million in 2020.

Nevion continues to expand and further develop the product range with a focus on strengthening the company's position within the existing product areas for advanced media transport. Development expenses are capitalized when a future economic benefit related to identifiable intangible assets can be identified. Capitalized development costs are depreciated over the product's expected life.

The group's cash holdings amounted to 18,7 MNOK at the end of the year. During the year, the company established a credit facility of NOK 20 million. The net reduction in cash and cash equivalents was 8,4 MNOK in 2020. A total of 48,3 MNOK has been capitalized in the group in development costs and product rights, and new acquisitions of 2,9 MNOK in machinery and equipment have been made. The equity ratio was 54% in the group and 61% in the parent company at the end of 2020.

The company has a holding of own shares of 166 103 shares of a total of 69,5 million shares outstanding at the end of the year.

The company's markets continue to change and demand within the traditional product areas has been declining in recent years. In 2020 such products represented about 19% of the company's turnover. It is expected that the share of traditional products will continue to decline in the years ahead, offset by stronger demand within the company's new product areas. The outlook for 2021 is positively driven by the company's new product areas and that the market for this type of technology



is further maturing, as well as the strategic collaboration with Sony. The prospectus situation at the beginning of 2021 is strong. Uncertainty is normally associated with forecasts and assessments of future conditions.

#### Financial risk

98% of turnover is in foreign currency, mainly EUR and USD, and sales revenues are booked at the current exchange rate. The company seeks to reduce currency risk to the greatest possible extent through natural hedging. Purchases of goods are made primarily in EUR and USD, and the operating costs of several of the company's subsidiaries are in the same currencies.

The group did not use currency futures or other financial instruments during the financial year. The company considers the liquidity to be satisfactory.

#### Working environment and employees

The working environment in the company is considered to be good, and the company has a positive and committed corporate culture. The company's international profile encourages diversity among its employees. People with different backgrounds and views are crucial for innovation and creativity, which in turn contributes to continued growth. In 2020, people with more than 25 different nationalities were employed in the group.

No injuries were reported in 2020 and there have been no injuries to the company's equipment.

For 2020, registered sickness absence amounted to 1.5% of total working hours. The organization maintain a high focus on health, safety and the environment (HSE) through risk assessments, focus on internal control and ergonomic adaptations.

The company works actively to promote the purpose of the Discrimination Act on equality and equal opportunities and rights across, for example, ethnic background, skin color, language or functional ability. The company's goal is to be an attractive workplace and with a balance between the sexes at all levels and in all functions. Of the company's employees, 18% are women at the end of the year. The company's management team consists of a woman and 7 men at the end of the year. The company's management is aware of, and wants, a good gender distribution in key positions in the business. There are currently no special needs associated with employees with disabilities. However, the company's premises are adapted for any jobseekers with disabilities, with good access and a lift between all floors. For employees or jobseekers with disabilities, individual adaptation of the workplace and work tasks is carried out.

#### External Environment

Circuit boards are an important input factor in our business, and it is emphasized that the suppliers are environmentally certified according to ISO 14001. The business is aware of its environmental profile and started at an early stage with source sorting of waste. The board is not aware that the company's activities pollute the external environment. The company is affiliated with return schemes administered through Renas AS.



Events after the balance sheet date

No significant events with effect on the accounts has happened after the balance sheet date.

Distribution of the annual result

The board proposes the following distribution of the annual result in the parent company Nevron AS:

For dividend: 0 NOK

Transferred other equity: -21 958 112 NOK

Total available: -21 958 112 NOK

The Board of Directors of Nevron AS

Lysaker 23. June 2021

Mikio Kita  
Director (Chairman)

Atsuki Matsuzawa  
Director

Ivar Rognstad  
Director

Geir Bryn-Jensen  
Director/CEO

Jan Ingvar Helgesen  
Director



**Nevion AS Parent & Group**  
**2020**  
**Profit & Loss statement**  
**Balance sheet**  
**Cash flow statement**  
**Significant Accounting principles**  
**Notes**



## Nevion AS

### Parent and group profit & loss

#### Profit & loss

Figures in NOK

| Parent<br>2020     | Parent<br>2019 |  | Note     | Group<br>2020      | Group<br>2019      |
|--------------------|----------------|--|----------|--------------------|--------------------|
| <b>261 975 124</b> | 309 982 987    | Revenues                                     | 10       | <b>302 034 471</b> | 351 221 882        |
| <b>261 975 124</b> | 309 982 987    | <b>Revenues</b>                              |          | <b>302 034 471</b> | 351 221 882        |
| <br>               |                |  |          |                    |                    |
| 119 957 276        | 159 602 062    | Cost of goods sold                           | 7        | 99 941 679         | 139 842 563        |
| 91 784 046         | 76 390 464     | Personnel expenses                           | 2, 11    | 143 885 183        | 118 198 328        |
| 40 851 082         | 50 527 883     | Depreciation and amortisation expense        | 2, 3     | 41 512 641         | 51 055 423         |
| 35 434 695         | 58 806 026     | Other operating expenses                     | 2, 3, 12 | 45 395 708         | 73 115 387         |
| <b>288 027 099</b> | 345 326 435    | <b>Operating expenses</b>                    |          | <b>330 735 210</b> | 382 211 701        |
| <br>               |                |  |          |                    |                    |
| <b>-26 051 975</b> | -35 343 448    | <b>Net operating income</b>                  |          | <b>-28 700 739</b> | -30 989 819        |
| <br>               |                |  |          |                    |                    |
| 8 789 073          | 20 400 246     | Other finance income                         | 15, 17   | 12 317 207         | 21 865 462         |
| -9 587 092         | -20 384 974    | Other finance expense                        | 17       | -18 466 215        | -25 646 138        |
| <b>-798 019</b>    | 15 272         | <b>Net financial income and expenses</b>     |          | <b>-6 149 008</b>  | -3 780 676         |
| <br>               |                |  |          |                    |                    |
| <b>-26 849 994</b> | -35 328 176    | <b>Operating result before tax</b>           |          | <b>-34 849 747</b> | -34 770 495        |
| <br>               |                |  |          |                    |                    |
| -4 891 882         | -8 178 609     | Income tax expense                           | 9        | -4 760 281         | -7 516 542         |
| <b>-21 958 112</b> | -27 149 567    | <b>Operating result after tax</b>            |          | <b>-30 089 466</b> | -27 253 954        |
| <br>               |                |  |          |                    |                    |
| -21 958 112        | -27 149 567    | <b>Annual net profit</b>                     | 1        | <b>-30 089 466</b> | <b>-27 253 954</b> |
| -                  | -              | <b>Distribution / coverage of the result</b> |          |                    |                    |
| -                  | -              | Other equity                                 |          |                    |                    |
| <b>-21 958 112</b> | -27 149 567    | <b>Total</b>                                 |          |                    |                    |
| -                  | -              |  |          |                    |                    |



## Nevion AS

## Parent and group Balance sheet

## Balance sheet

| Figures in NOK                |                      |                                    |      |                     |                     |
|-------------------------------|----------------------|------------------------------------|------|---------------------|---------------------|
| Parent<br>31.12.2020          | Parent<br>31.12.2019 |                                    | Note | Group<br>31.12.2020 | Group<br>31.12.2019 |
| <b>Assets</b>                 |                      |                                    |      |                     |                     |
| <b>Non current assets</b>     |                      |                                    |      |                     |                     |
| <b>Intangible assets</b>      |                      |                                    |      |                     |                     |
| 14 425 595                    | 23 125 595           | Goodwill                           | 2    | 14 425 595          | 23 125 595          |
| 105 377 337                   | 104 516 958          | Research and development           | 2    | 104 257 112         | 103 832 629         |
| 15 350 264                    | 10 458 382           | Deferred tax asset                 | 9    | 18 669 980          | 13 637 287          |
| <b>135 153 196</b>            | <b>138 100 935</b>   | <b>Total intangible assets</b>     |      | <b>137 352 687</b>  | <b>140 595 511</b>  |
| <b>Tangible assets</b>        |                      |                                    |      |                     |                     |
| -                             | -                    | Land, buildings and other property | 3    | 749 490             | 187 481             |
| 2 224 797                     | 2 165 032            | Machinery and equipment            | 3    | 3 269 846           | 2 909 228           |
| <b>2 224 797</b>              | <b>2 165 032</b>     | <b>Total tangible assets</b>       |      | <b>4 019 336</b>    | <b>3 096 710</b>    |
| <b>Financial fixed assets</b> |                      |                                    |      |                     |                     |
| 1 753 468                     | 1 753 468            | Shares in subsidiaries             | 5, 6 | -                   | -                   |
| 77 916 220                    | 85 625 752           | Loans to subsidiaries              | 5, 6 | -                   | -                   |
| -                             | 1                    | Investments in shares              |      | -                   | 1                   |
| <b>79 669 688</b>             | <b>87 379 221</b>    | <b>Total financial assets</b>      |      | <b>-</b>            | <b>1</b>            |
| <b>217 047 681</b>            | <b>227 645 188</b>   | <b>Total non current assets</b>    |      | <b>141 372 023</b>  | <b>143 692 221</b>  |
| <b>Current assets</b>         |                      |                                    |      |                     |                     |
| -                             | 2 156 638            | Inventories                        | 6, 7 | 19 656 510          | 20 138 814          |
| <b>Debtors</b>                |                      |                                    |      |                     |                     |
| 112 685 401                   | 124 751 479          | Trade receivables                  | 6    | 71 037 947          | 65 911 443          |
| 10 794 648                    | 6 058 231            | Other receivables                  | 9    | 14 576 581          | 10 102 208          |
| <b>123 480 049</b>            | <b>132 966 349</b>   | <b>Total debtors</b>               |      | <b>105 271 039</b>  | <b>96 152 466</b>   |
| 11 460 811                    | 10 997 885           | Cash and cash equivalents          | 4    | 18 712 380          | 27 159 468          |
| <b>134 940 860</b>            | <b>143 964 233</b>   | <b>Total current assets</b>        |      | <b>123 983 419</b>  | <b>123 311 934</b>  |
| <b>351 988 541</b>            | <b>371 609 421</b>   | <b>Total assets</b>                |      | <b>265 355 442</b>  | <b>267 004 155</b>  |




**Nevion AS**  
**Parent and group Balance sheet**  
**Balance sheet**

Figures in NOK

| Parent<br>31.12.2020                | Parent<br>31.12.2019 | Note  | Group<br>31.12.2020 | Group<br>31.12.2019 |
|-------------------------------------|----------------------|-------|---------------------|---------------------|
| <b>Equity and liabilities</b>       |                      |       |                     |                     |
| <b>Equity</b>                       |                      |       |                     |                     |
| <b>Owners equity</b>                |                      |       |                     |                     |
| 6 953 197                           | 6 953 197            | 1, 8  | 6 953 197           | 6 953 197           |
| -16 611                             | -16 611              | 1, 8  | -16 611             | -16 611             |
| 143 468 999                         | 143 468 999          | 1, 8  | 143 468 999         | 143 468 999         |
| <u>150 405 585</u>                  | <u>150 405 585</u>   |       | <u>150 405 585</u>  | <u>150 405 585</u>  |
| <b>Retained earnings</b>            |                      |       |                     |                     |
| 63 893 387                          | 85 851 303           | 1, 8  | -7 068 490          | 16 101 391          |
| <u>63 893 387</u>                   | <u>85 851 303</u>    |       | <u>-7 068 490</u>   | <u>16 101 391</u>   |
| <b>Minorities</b>                   |                      |       |                     |                     |
| <u>114 298 973</u>                  | <u>236 257 088</u>   |       | <u>143 319 095</u>  | <u>166 507 177</u>  |
| <b>Total equity</b>                 |                      |       |                     |                     |
|                                     |                      |       | <u>143 319 095</u>  | <u>166 507 177</u>  |
| <b>Liabilities</b>                  |                      |       |                     |                     |
| <b>Provisions</b>                   |                      |       |                     |                     |
| -                                   | -                    |       | 602 550             | 4 377               |
| -                                   | -                    | 9     | 203 481             | 220 598             |
| <u>-</u>                            | <u>-</u>             |       | <u>806 031</u>      | <u>224 975</u>      |
| <b>Current liabilities</b>          |                      |       |                     |                     |
| 18 000 000                          | -                    | 6, 15 | 18 000 000          | -                   |
| -                                   | 1 561 129            |       | 5 182 196           | 1 561 129           |
| 55 520 843                          | 78 599 598           | 6     | 26 051 121          | 36 118 416          |
| -                                   | -                    | 9     | -                   | 46 717              |
| 10 905 625                          | 6 560 365            |       | 12 534 191          | 7 054 750           |
| 83 263 102                          | 48 631 241           | 6, 13 | 59 456 807          | 55 490 961          |
| <u>137 689 570</u>                  | <u>135 352 332</u>   |       | <u>121 224 316</u>  | <u>100 272 003</u>  |
| <u>137 689 570</u>                  | <u>135 352 332</u>   |       | <u>122 036 346</u>  | <u>100 496 379</u>  |
| <b>Total liabilities</b>            |                      |       |                     |                     |
| <u>351 988 541</u>                  | <u>371 609 420</u>   |       | <u>265 355 442</u>  | <u>267 004 155</u>  |
| <b>Total equity and liabilities</b> |                      |       |                     |                     |

Lysaker, June 23, 2021




Mikio Kita  
Chairman of the board




Atsuki Matsuzawa  
Board member



Geir Bryn Jensen  
Board member and CEO



Ivár Rognstad  
Deputy Board member



Jan Ingvard Helgesen  
Board member



## Nevion AS

### Parent and group Cash flow statement

#### Cash flow statement

Figures in NOK

| Parent<br>2020                                | Parent<br>2019     | Note | Group<br>2020      | Group<br>2019      |
|---|--------------------|------|--------------------|--------------------|
| <b>Cash flows from operational activities</b> |                    |      |                    |                    |
| -25 939 989                                   | -35 328 176        |      | -34 849 748        | -34 770 495        |
| -   | -                  |      | -                  | -736 901           |
| 40 851 082                                    | 50 527 883         |      | 41 512 641         | 51 055 423         |
| 2 156 638                                     | -163 574           |      | 482 304            | -1 310 971         |
| 12 066 078                                    | -48 244 779        |      | -5 126 504         | -23 225 211        |
| -23 078 755                                   | 27 882 849         |      | -10 067 295        | 5 671 643          |
| 625 273                                       | -4 197 160         |      | 6 901 384          | -2 839 243         |
| 7 141 748                                     | 33 725 815         |      | 10 398 233         | 29 134 920         |
| <b>13 822 073</b>                             | <b>24 202 858</b>  |      | <b>9 251 015</b>   | <b>22 979 165</b>  |
| <b>Cash flows from investing activities</b>   |                    |      |                    |                    |
| -1 421 009                                    | -349 275           | 3    | -2 918 957         | -349 275           |
| -36 400 217                                   | -38 014 490        | 2    | -36 400 213        | -38 014 490        |
| <b>-37 821 226</b>                            | <b>-38 363 765</b> |      | <b>-39 319 170</b> | <b>-38 363 765</b> |
| <b>Cash flows from financing activities</b>   |                    |      |                    |                    |
| 18 000 000                                    | -                  |      | 18 000 000         | 176 016            |
| -1 561 129                                    | 1 561 129          |      | 3 621 067          | 1 561 129          |
| 8 023 208                                     | 1 139 508          |      | -                  | -                  |
| <b>24 462 079</b>                             | <b>2 700 637</b>   |      | <b>21 621 067</b>  | <b>1 737 145</b>   |
| <b>462 926</b>                                | <b>-10 914 569</b> |      | <b>-8 447 088</b>  | <b>-13 647 455</b> |
| <b>10 997 885</b>                             | <b>21 912 454</b>  |      | <b>27 159 468</b>  | <b>40 806 925</b>  |
| <b>11 460 811</b>                             | <b>10 997 885</b>  |      | <b>18 712 380</b>  | <b>27 159 468</b>  |



## Nevion AS Group Notes 2020

### Significant Accounting Principles

The Financial Statements consists of consolidated Profit and Loss Account, Balance Sheet, Cash Flow Statement and the significant accounting principles. The consolidated Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The significant accounting principles are an integrated part of the Financial Statements.

#### *Basis for consolidation*

The consolidated financial statements incorporates the financial statements of the parent company Nevion AS and the subsidiaries Nevion Asia Pte Ltd with the subsidiary Nevion China Co. Ltd, Best Broadcast AS, Nevion Manufacturing Sp. z.o.o, Nevion Ltd and Network Electronics Holdings Inc. with the subsidiary Nevion USA Inc. The consolidated accounts for the group have been prepared as a single economic entity. Intercompany transactions have been eliminated in the consolidated accounts. The consolidated accounts have been prepared in accordance with the same accounting principles for both parent and subsidiaries.

Foreign subsidiaries in currencies are recalculated by using the monthly average exchange rate for the income statement, and the exchange rate at month-end for the balance sheet.

#### *Basic principles - Evaluation and classifications - Other conditions*

The consolidated group accounts are based on the basic principles of historical cost accounting, comparability, continued operations, congruence and prudence. Transactions are recorded at their fair value at the time of the transaction. Revenues are recorded at the time of delivery of goods and services. Expenses that can not be matched directly to revenues, are expensed as they incur. Hedging and portfolio management are also taking into the considerations. The accounting principles are further explained below.

Assets/liabilities related to current business activities and items which fall due within one year are classified as current asset/liabilities. Current assets/short-term debts are recorded at the lowest/highest of acquisition cost and fair value. The definition of fair value is the estimated future sales price reduced by sale costs. Other assets are classified as fixed assets. Fixed assets are entered in the accounts with historical cost with deductions for any depreciation. In the event of a decline in the value that is not temporary, the fixed asset will be subject to a write-down. The same principle normally applies to liabilities.

According to the generally accepted accounting standards there are some exemptions from the basic assessment and valuation principles. Comments on these exemptions can be found in the respective notes. When applying the basic accounting principles and disclosure of transactions and other items, the "substance over form" rule is adopted. Contingent losses which are probable and quantifiable are charged to the profit and loss account. The classification of segments is based on the company's directing and reporting purposes together with risk and earnings. There is a presentation of geographical distribution of the revenues because the geographical segregation of revenues is important in assessing the company.

#### *Sales revenue*

Sales revenues are recognized at the time of delivery. Provisions are made for identified projects with estimated loss and the amount is equal to the expected loss. The revenues are deducted VAT, freight costs, discounts and commissions.

#### *Expenses / Matching*

In principle, cost of sales and other expenses are recognised in the same period as the revenue to which they relate. Expenses that can not be matched directly to revenues, are expensed as they incur.

#### *Other revenues and expenses*

Material revenues and expenses that is not a part of the ordinary operations are classified as other revenues and expenses. Transactions that are unusual, irregular and material are classified as extraordinary

#### *Foreign currency*

Foreign currency cash accounts are translated using the year end exchange rate.

#### *Tangible fixed assets*

Tangible fixed assets are capitalized with the acquisition cost and deducted by accumulated depreciation and impairments. If fair value of a fixed asset is lower than the book value, and the decline in the value is not temporarily, the fixed asset will be written down to fair value. Costs related to ordinary maintenance and repair are expensed as incurred. Periodical maintenance and repairs are accrued. Major replacements and renewal which substantial increase the economic life of the fixed assets are capitalized. A fixed asset is regarded as permanent if the estimated economic life is more than three years and cost is more than NOK 15 000.

#### *Depreciation*

Ordinary depreciation is calculated based on historical cost and charged to the income statement linearly over the estimated economical life. This also applies to intangible fixed assets. Depreciation is classified as ordinary operating expenses.

#### *Goodwill*

Goodwill is the difference between historical cost and fair value of the identifiable assets and liabilities in a business combination. Goodwill is amortized and its lifetime is evaluated partly based on the expected duration of the benefit associated with increased market share and synergies.



## ***Subsidiaries***

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

## ***Inventories***

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Finished goods and work in progress are valued at full production cost. The cost of sales consist of cost of goods and any write down which is in accordance with the Norwegian Accounting Act and the generally accepted accounting principles in Norway.

## ***Receivables***

Receivables are recorded in the balance sheet at nominal value less provision for doubtful debts.

## ***Deferred tax and income tax***

Income tax in the profit and loss account consists of both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated by use of relevant tax rates on the basis of the temporary differences between accounting and taxable values considering the tax effect of former operating losses. Temporary differences, both positive and negative, are offset within the same period for each country. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

## ***Cash flow statement***

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash and bank deposit.

## ***Research and development***

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be identified and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development is amortized linearly over its useful economic life. Research costs are expensed as incurred.

## ***Leasing***

Finance leases are posted with gross capitalization of breakdown of debt and capitalization of the leased asset. In the income statement are measured lease cost as a pure element and as ordinary depreciation.

Operating leases are included in the accounts as current rental costs without remaining lease obligations are capitalized.

## ***Use of estimates***

The preparation of the financial statements requires management to apply estimates and assumptions that affect the profit and loss account, the valuation of assets and liabilities, and disclosure of contingent assets and liabilities at the balance sheet date. Contingent losses that are probable and can be measured reliably are expensed as incurred.

## ***Repurchase of share capital (own shares)***

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognized as a deduction from equity. Repurchased shares are classified as own shares and are presented as a deduction from total equity. When own shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to / from retained earnings.



## Nevion AS

Notes 2020

### Note 1 Equity

#### Nevion AS

|                        | Share capital | Own shares | Share premium | Other equity | Total       |
|------------------------|---------------|------------|---------------|--------------|-------------|
| Equity per. 01.01.2020 | 6 953 197     | -16 611    | 143 468 999   | 85 851 503   | 236 257 088 |
| Profit for the year    | -             | -          | -             | -21 958 112  | -21 958 112 |
| Equity per. 31.12.2020 | 6 953 197     | -16 611    | 143 468 999   | 63 893 387   | 214 298 972 |

#### Nevion group

|                        | Share capital | Own shares | Share premium | Other equity | Total       |
|------------------------|---------------|------------|---------------|--------------|-------------|
| Equity per. 01.01.2020 | 6 953 197     | -16 611    | 143 468 999   | 16 101 593   | 166 507 178 |
| Conversion difference  | -             | -          | -             | 6 901 384    | 6 901 384   |
| Profit for the year    | -             | -          | -             | -30 089 466  | -30 089 466 |
| Equity per. 31.12.2020 | 6 953 197     | -16 611    | 143 468 999   | -7 086 490   | 143 319 095 |

Own shares were acquired with a view to subsequent sales to employees and business associates.

### Note 2 Intangible Assets

|                                  | Goodwill   | Patents    | Research and development | Research and development at work | Total       |
|----------------------------------|------------|------------|--------------------------|----------------------------------|-------------|
| <b>Nevion AS</b>                 |            |            |                          |                                  |             |
| Acquisition cost per. 01.01.20   | 85 425 595 | 12 825 000 | 321 396 981              | 49 447 875                       | 469 095 451 |
| Acquisition of intangible assets | -          | -          | 16 609 350               | 31 650 217                       | 48 259 567  |
| Disposals                        | -          | -          | -                        | -16 609 350                      | -16 609 350 |
| Acquisition cost per. 31.12.20   | 85 425 595 | 12 825 000 | 338 006 331              | 64 488 742                       | 500 745 668 |

Accumulated depreciation per. 31.12.20

|  |             |             |              |   |              |
|--|-------------|-------------|--------------|---|--------------|
|  | -71 000 000 | -12 825 000 | -297 117 736 | - | -380 942 736 |
|--|-------------|-------------|--------------|---|--------------|

Balance sheet value per. 31.12.20

|  |            |   |            |            |             |
|--|------------|---|------------|------------|-------------|
|  | 14 425 595 | - | 40 888 594 | 64 488 742 | 119 802 931 |
|--|------------|---|------------|------------|-------------|

Depreciation for the year

|  |           |   |            |   |            |
|--|-----------|---|------------|---|------------|
|  | 8 700 000 | - | 30 789 838 | - | 39 489 838 |
|--|-----------|---|------------|---|------------|

Write-downs for the year

|  |   |   |   |   |   |
|--|---|---|---|---|---|
|  | - | - | - | - | - |
|--|---|---|---|---|---|

Economic life

|  |       |        |        |       |   |
|--|-------|--------|--------|-------|---|
|  | 10 år | 3-5 år | 3-5 år | Ingen | - |
|--|-------|--------|--------|-------|---|

|                                  | Goodwill    | Patents    | Research and development | Customer relations | Total       |
|----------------------------------|-------------|------------|--------------------------|--------------------|-------------|
| <b>Nevion group</b>              |             |            |                          |                    |             |
| Acquisition cost per. 01.01.20   | 113 563 964 | 12 825 000 | 422 939 794              | 65 220 848         | 614 549 606 |
| Acquisition of intangible assets | -           | -          | 31 650 217               | -                  | 31 650 217  |
| Disposals                        | -           | -          | -                        | -                  | -           |
| Acquisition cost per. 31.12.20   | 113 563 964 | 12 825 000 | 454 590 011              | 65 220 848         | 646 199 823 |

Accumulated depreciation per. 31.12.20

|  |             |             |              |             |              |
|--|-------------|-------------|--------------|-------------|--------------|
|  | -99 138 368 | -12 825 000 | -349 897 003 | -65 220 848 | -527 081 219 |
|--|-------------|-------------|--------------|-------------|--------------|

Balance sheet value per. 31.12.20

|  |            |   |             |   |             |
|--|------------|---|-------------|---|-------------|
|  | 14 425 596 | - | 104 693 007 | 0 | 119 118 604 |
|--|------------|---|-------------|---|-------------|

Depreciation for the year

|  |           |   |            |   |            |
|--|-----------|---|------------|---|------------|
|  | 8 700 000 | - | 30 789 838 | - | 39 489 838 |
|--|-----------|---|------------|---|------------|

Write-downs for the year

|  |   |   |   |   |   |
|--|---|---|---|---|---|
|  | - | - | - | - | - |
|--|---|---|---|---|---|

Economic life

|  |       |        |        |       |   |
|--|-------|--------|--------|-------|---|
|  | 10 år | 3-5 år | 3-5 år | 10 år | 0 |
|--|-------|--------|--------|-------|---|

Acquired goodwill and customer relationships are estimated to have an economic life of 10 years, and are linked to synergy gains and expected future earnings in connection with the acquisition of T-vipps AS with subsidiaries.

Product rights are considered to have an economic life of 3 to 5 years and the balance sheet is compared against underlying income on the rights. The acquisition of the product rights means that the Group has all ownership rights to its products.

The item "Research and development / research and development at work" includes activated projects in connection with the development of new products. In accordance with the Company's accounting principles, capitalized amounts will only qualify for capitalization to the extent that a future economic benefit associated with the development of an identifiable intangible asset can be identified. Otherwise, such expenses are expensed as incurred. Balance sheet research and development is amortized on a straight-line basis over its economic life, which is assumed to be between 3 and 5 years based on a specific assessment.

For Nevion AS, in 2020, 2 new projects were activated in the post Research and Development work. The item Research and Development includes 24 completed development projects, of which 8 have been written off to accounting value zero. The projects that are activated are reduced by depreciation from the time of the product's completion / start-up date for the sale of the underlying products. Continuous assessment is made of whether the criteria for capitalization are met when assessing future discounted cash flows measured against total book value. Projects that have not been completed at year-end amount to NOK. 36 400 213.

The company rents premises for the head office at Lysaker, as well as a branch office in Sandefjord. Both leases run until 01.03.2024 Total annual rent amounts to NOK. 8.5 million excl. common costs and other local costs. Rented areas in Sandefjord are larger than needed, and parts of these are leased with an annual rental income of NOK 2.8 million. Net rental cost for the Norwegian company are 6.4 million, divided on 3.7 for the premises at Lysaker and 3.8 million in Sandefjord. Smaller premises are rented for the Group's sales offices in other countries, and there are short-term leases.



## Note 3 Fixed assets

| Nevion AS                              | Machines and |                    |
|--|--------------|--------------------|
|  | fixtures     | Total fixed assets |
| Acquisition cost per. 01.01.20         | 45 345 620   | 45 345 620         |
| Acquisition of fixed assets            | 1 421 009    | 1 421 009          |
| Disposals                              | -            | -                  |
| Acquisition cost per. 31.12.20         | 46 766 629   | 46 766 629         |
| Accumulated depreciation per. 31.12.20 | 44 541 833   | 44 541 833         |
| Balance sheet value per. 31.12.20      | 2 224 796    | 2 224 796          |
| Depreciation for the year              | 1 361 244    | 1 361 244          |
| Write-downs for the year               | -            | -                  |
| Economic life                          | 3-5 år       | -                  |

| Nevion group                           | Machines and |            | Total fixed assets |
|--|--------------|------------|--------------------|
|  | fixtures     | Building   |                    |
| Acquisition cost per. 01.01.20         | 77 581 629   | 1 658 207  | 79 239 836         |
| Acquisition of fixed assets            | 2 242 152    | 676 805    | 2 918 957          |
| Disposals                              | -            | -          | -                  |
| Acquisition cost per. 31.12.20         | 79 823 781   | 2 335 012  | 82 158 793         |
| Accumulated depreciation per. 31.12.20 | -76 553 935  | -1 585 522 | -78 139 457        |
| Balance sheet value per. 31.12.20      | 3 269 846    | 749 490    | 4 019 336          |
| Depreciation for the year              | 1 907 808    | 114 994    | 2 022 802          |
| Write-downs for the year               | -            | -          | -                  |
| Economic life                          | 3-5 år       | 10 år      | -                  |

## Note 4 Bank Deposits

In the item bank deposits, restricted funds include NOK 0. The company has established a tax deduction guarantee of NOK 5 000 000 at Tryg Garanti. Guarantee amounts exceed the amount due for the individual instalments in the financial year.

## Note 5 Subsidiaries, associated companies, etc.

|                                  | Number of      |        | Balance sheet |                      |              |
|----------------------------------|----------------|--------|---------------|----------------------|--------------|
|                                  | Share capital  | Shares | value         | Business Office      | Shareholding |
| Best Broadcast AS                | NOK 100 000    | 10 000 | 109 000       | Sandefjord, Norge    | 100 %        |
| Nevion Asia Pte Ltd              | SGD 50 000     | 50 000 | 291 731       | Singapore, Singapore | 100 %        |
| Nevion Ltd                       | GBP 1          | 1      | 226 600       | Reading, England     | 100 %        |
| Network Electronics Holdings Inc | USD 10 324 717 | 1 000  | 1 100         | Oxnard, USA          | 100 %        |
| Nevion Sp. z.o.o                 | PLN 500 000    | 10 000 | 1 001 190     | Gdańsk, Polen        | 100 %        |
| T-Vips America Inc.              | USD 20 000     | 20 000 | 123 947       | New Jersey, USA      | 100 %        |
| Total shares in subsidiaries     |                |        | 1 753 568     |                      |              |

Subsidiaries are assessed according to the cost method in the company accounts. The investment is valued at the acquisition cost of the shares unless a write-down has been necessary. Write-downs to fair value have been made when impairment is due to causes that cannot be assumed to be temporary and must be regarded as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-downs no longer are present.

In Network Electronics Holdings Inc there has been a capital increase of USD 6,000,000 (NOK 36,502,200) which was written down in its entirety in 2014.

Full consolidation has been made in the consolidated financial statements of Nevion AS.



## Note 6 Receivables and Debt

|  | Nevion AS         |                   | Nevion group |          |
|--|-------------------|-------------------|--------------|----------|
|  | 2020              | 2019              | 2020         | 2019     |
| <i>Receivables with maturity later than one year</i> |                   |                   |              |          |
| Other long-term receivables                          | 77 916 221        | 85 625 752        | -            | -        |
| <b>Total</b>   | <b>77 916 221</b> | <b>85 625 752</b> | <b>-</b>     | <b>-</b> |
| <i>Debt maturing later than five years</i>           |                   |                   |              |          |
| Loans from shareholders                              | -                 | -                 | -            | -        |
| <b>Total</b>   | <b>-</b>          | <b>-</b>          | <b>-</b>     | <b>-</b> |

Nevion AS has identified a risk of impairment related to non-current receivable against subsidiary Nevion Inc. Total outstanding receivable is USD 9,5 million. Nevion Inc has a negative equity as of 31 December 2020 and that has triggered an impairment assessment related to the receivable. A discounted cashflow for Nevion Inc has been prepared to support the value of the receivable as of 31 December 2020. Based on the estimated future cashflows of the entity, the receivable is recognised at nominal value in Nevion AS as of 31 December 2020.

Expected cashflow is based on an assumption of increased sale in the US. The main part of increase in sales is expected to be in the Media WAN/LAN segment. The expected cashflows also includes a decrease in sales of Broadcast technologies. Nevion Inc has an agreed EBIT margin of 5%. A WACC of 11% and a terminal growth rate of 2% is applied in the estimated cash flow.

A estimated discounted cashflow will have inherent limitations and uncertainties. A sensitivity analysis have been prepared to support the assessment. The prepared estimated value of future cashflows shows a positive equity value higher than the recognised equity as of 31 December 2020 for Nevion Inc.

The estimated cashflow returns a negative value of equity with either a WACC of 12% or a revenue decrease of 10%. Change in equity value based on change in significant assumptions:

| Change in WACC vs change in equity value NOK |       |      |      |       |       |
|--|-------|------|------|-------|-------|
| 10 %   | 11 %  | 11 % | 12 % | 12 %  |       |
| 10 564                                       | 4 971 | -    | -    | 4 447 | 8 449 |

| Change in revenue vs change in equity value NOK |       |     |       |       |  |
|---|-------|-----|-------|-------|--|
| -10 %   | -5 %  | 0 % | 5 %   | 10 %  |  |
| 8 898   | 4 449 | -   | 4 449 | 8 898 |  |

| <i>Claims and liabilities in foreign currency:</i> | USD                  | GBP               | EUR              | Converted to NOK   |
|--|----------------------|-------------------|------------------|--------------------|
|  | Long-term receivable | 8 838 548         | -                | -                  |
| Short-term receivable                              | -                    | -                 | -                | -                  |
| Trade payables                                     | -49 660              | -2 213 929        | -1 544 843       | -21 982 386        |
| Accounts receivables                               | 3 124 995            | 219 556           | 7 331 745        | 105 497 566        |
| <b>Total net debt / receivable in currency:</b>    | <b>11 913 883</b>    | <b>-1 994 373</b> | <b>5 786 902</b> | <b>161 431 400</b> |

| <i>Receivables and liabilities Group companies:</i> | 2020                 | 2019               |
|---|----------------------|--------------------|
|   | Long-term receivable | 77 916 221         |
| Short-term receivable                               | -                    | -                  |
| Trade payables                                      | -42 382 558          | -57 296 466        |
| Accounts receivables                                | 72 458 050           | 87 404 207         |
| <b>Total</b>  | <b>107 991 713</b>   | <b>115 733 492</b> |

## Note 7 Inventory

|                            | Nevion AS      |                  | Nevion group      |                   |
|----------------------------|----------------|------------------|-------------------|-------------------|
|                            | 2020           | 2019             | 2020              | 2019              |
| Goods purchased for resale | -              | 2 156 638        | 19 656 510        | 20 138 814        |
| <b>Total</b>               | <b>878 366</b> | <b>2 156 638</b> | <b>19 656 510</b> | <b>20 138 814</b> |

The inventory of components is valued at the lowest value of cost according to the FIFO principle and fair value. Inventory of finished goods is listed at full cost of manufacture. The downgrade for obsolescence.

|  | Nevion AS |                  | Nevion group      |                   |
|--|-----------|------------------|-------------------|-------------------|
|  | 2020      | 2019             | 2020              | 2019              |
| Inventory valued at cost                                   | -         | -                | 3 897 133         | 4 485 022         |
| Inventory valued at fair value (adjusted for obsolescence) | -         | 2 156 638        | 15 759 377        | 15 653 792        |
| <b>Total</b>   | <b>-</b>  | <b>2 156 638</b> | <b>19 656 510</b> | <b>20 138 814</b> |

## Note 8 Share Capital and Shareholder Information

| Nevion AS | Quantity                                    | Notional   | Carrying amount |
|-----------|---|------------|-----------------|
|           | Share capital per share. 31.12 consists of: | 69 531 969 | 0,10            |

| <i>The shareholders per 31.12 are:</i> | Stock             | Ownership and voting share |
|--|-------------------|----------------------------|
|  |                   |                            |
| SONY IMAGING PRODUCTS & SOLUTIONS      | 69 365 866        | 99,77 %                    |
| Nevion AS                              | 166 103           | 0,24 %                     |
| <b>Total number of shares</b>          | <b>69 531 969</b> | <b>100,00 %</b>            |



## Note 9 Tax

|   | Nevion AS          |                    | Nevion group        |                     |
|---|--------------------|--------------------|---------------------|---------------------|
|   | 2020               | 2019               | 2020                | 2019                |
| <i>Tax payable appears as follows:</i>                      |                    |                    |                     |                     |
| Ordinary result before tax expense                          | -26 849 998        | -35 328 180        | -34 849 747         | -34 770 495         |
| Permanent differences                                       | 4 269 766          | 8 265 535          | 3 769 766           | 7 008 604           |
| Reversed temporary difference regarding US stocks           | -                  | -415 700           | -                   | -                   |
| Change temporary differences                                | 7 740 389          | -299 722           | 7 740 389           | -154 140            |
| Change in tax loss carry forward                            | -                  | -                  | -                   | -                   |
| <b>Basic tax payable</b>                                    | <b>-14 839 843</b> | <b>-27 778 068</b> | <b>-23 339 592</b>  | <b>-27 916 031</b>  |
| Tax payable 22% / 22 %                                      | -                  | -                  | -                   | 654 999             |
| <b>Payable tax on annual profit</b>                         | <b>-</b>           | <b>-</b>           | <b>-</b>            | <b>654 999</b>      |
| <i>This year's tax expense appears as follows:</i>          |                    |                    |                     |                     |
| Payable tax on annual profit                                | -                  | -                  | -                   | 654 998             |
| Tax payable on previous annual profit                       | -                  | -2 518 004         | -                   | -2 518 004          |
| Change of deferred tax / tax benefit                        | -5 826 882         | -5 660 604         | -5 695 281          | -5 633 349          |
| Other changes, including currency                           | -                  | -                  | -                   | -20 186             |
| Adjustment last year's provision for tax                    | 935 000            | -                  | 935 000             | -                   |
| <b>Total tax expense for the year</b>                       | <b>-4 891 882</b>  | <b>-8 178 609</b>  | <b>-4 760 281</b>   | <b>-7 516 541</b>   |
| <i>Payable tax in the balance sheet is as follows:</i>      |                    |                    |                     |                     |
|   | 2020               | 2019               | 2020                | 2019                |
| Payable tax on annual profit                                | -4 750 000         | -                  | -5 842 863          | 701 716             |
| Tax payable on previous annual profit                       | -                  | 3 676 356          | -                   | 446 316             |
| <b>Total tax payable</b>                                    | <b>-4 750 000</b>  | <b>3 676 356</b>   | <b>-5 842 863</b>   | <b>1 148 032</b>    |
| Taxable US (refundable)                                     | -                  | -                  | -                   | -3 230 040          |
| Refund SkatteFUNN and UK Tax Relief R&D                     | -4 750 000         | -4 500 000         | -5 842 863          | -4 500 000          |
| <b>+/- Total tax to pay/ outstanding</b>                    | <b>-</b>           | <b>-823 644</b>    | <b>-</b>            | <b>-3 351 968</b>   |
| Of this classified as tax payable liability                 | -                  | -                  | -                   | 46 717              |
| Of this classified as other receivables                     | 4 750 000          | 823 644            | 5 842 863           | 3 398 685           |
| <i>Specification of the basis for deferred tax:</i>         |                    |                    |                     |                     |
| <i>Differences that are offset:</i>                         |                    |                    |                     |                     |
| Fixed assets  | -3 138 774         | -3 534 527         | -3 138 774          | -3 534 527          |
| Current assets  | -23 754 905        | -15 140 356        | -32 706 127         | -23 024 180         |
| Debt  | 14 950 394         | 14 471 987         | 10 517 528          | 10 092 523          |
| Deficit for carry-over                                      | -57 830 647        | -47 320 211        | -109 663 631        | -96 689 350         |
| <b>Total</b>  | <b>-69 773 932</b> | <b>-51 523 106</b> | <b>-134 991 004</b> | <b>-113 155 533</b> |
| Deferred tax / tax benefit Norway                           | -15 350 264        | -11 335 083        | -15 350 264         | -11 335 083         |
| Deferred tax / tax benefit to the rest of the world         | -                  | -                  | -13 344 646         | -12 611 694         |
| <b>Total deferred tax / tax benefit before restrictions</b> | <b>-15 350 264</b> | <b>-11 335 083</b> | <b>-28 694 910</b>  | <b>-23 946 778</b>  |
| Limitation in the entry of deferred tax assets              | -                  | 876 700            | 10 234 410          | 10 530 089          |
| <b>Deferred tax asset recognized in the balance sheet</b>   | <b>15 350 264</b>  | <b>10 458 382</b>  | <b>18 669 980</b>   | <b>13 637 287</b>   |
| <b>Deferred tax recognized in the balance sheet</b>         | <b>-</b>           | <b>-</b>           | <b>209 481</b>      | <b>220 598</b>      |

### SkatteFUNN

In 2020, the company has approved Research and Development projects in accordance with tax law §16-40 (SkatteFUNN). Upon final approval, the company will be paid NOK 4 750 000. The amount is considered earned in 2020 and is recognized in the balance sheet as a reduction of Research and Development or other operating expenses, depending on whether the project is capitalized or expensed.

SkatteFUNN amounts that have reduced the acquisition cost of completed Research and Development projects or reduced other operating costs, have been treated as permanent differences.



## Note 10 Sales Revenues

| <i>Geographical distribution (figures in TNOK)</i> | Nevion AS      |                | Nevion group   |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020           | 2019           | 2020           | 2019           |
| Europe   | 146 019        | 161 821        | 146 888        | 161 821        |
| US   | 36 942         | 59 078         | 65 893         | 75 521         |
| UK   | 62 051         | 54 878         | 66 373         | 70 153         |
| APAC   | 17 873         | 34 206         | 23 790         | 43 727         |
| <b>Total</b>                                       | <b>262 885</b> | <b>309 983</b> | <b>302 944</b> | <b>351 222</b> |

## Note 11 Personnel Expenses

| <i>Payroll expenses</i>          | Nevion AS         |                   | Nevion group       |                    |
|----------------------------------|-------------------|-------------------|--------------------|--------------------|
|                                  | 2020              | 2019              | 2020               | 2019               |
| Wages                            | 81 265 381        | 69 984 014        | 115 626 025        | 97 303 835         |
| Employer's tax                   | 11 151 980        | 9 879 965         | 17 245 288         | 15 381 794         |
| Pension costs                    | 3 826 270         | 3 442 723         | 7 248 057          | 6 417 847          |
| Other benefits                   | 27 266 995        | 24 118 015        | 35 492 391         | 30 129 103         |
| Enabled Research and Development | -31 726 580       | -31 034 252       | -31 726 580        | -31 034 252        |
| <b>Total</b>                     | <b>91 784 046</b> | <b>76 390 464</b> | <b>143 885 181</b> | <b>118 198 327</b> |

|                             |    |    |     |     |
|-----------------------------|----|----|-----|-----|
| Average number of employees | 76 | 71 | 136 | 129 |
|-----------------------------|----|----|-----|-----|

### Mandatory occupational pension

The company is obliged to have an occupational pension scheme in accordance with the Act on Mandatory Occupational Pensions. The company has established a pension scheme that meets the requirements of the Mandatory Occupational Pensions Act.

### Benefits to senior executives

Senior executives in Nevion group are defined as the company's CEO and members of the board of the parent company:

| <i>CEO</i>            | Wage      | Benefits | Pension cost | Total        |
|-----------------------|-----------|----------|--------------|--------------|
|                       |           |          |              | remuneration |
| Geir Bryn-Jensen, CEO | 5 741 863 | 36 990   | 114 010      | 5 892 863    |

### Board fees paid in 2020

|                       |                |
|-----------------------|----------------|
| Jan Ingvard Helgesen  | 50 000         |
| Oystein Ødegaard Auli | 50 000         |
| <b>Total</b>          | <b>100 000</b> |

The CEO of the company received a bonus in 2020 in accordance with an established bonus program approved by the company's board of directors. Bonus is expensed for the period to which it relates and may deviate from the reported salary. The CEO has the right to severance pay for one year if he is released from his position.

Furthermore, the company has a defined contribution pension scheme. The scheme satisfies statutory requirements for compulsory occupational pensions. The costs associated with the scheme are recorded when paying premiums to the scheme.

No loans or guarantees have been provided for members of the management team, the board of directors or other elected corporate bodies.

### Auditor:

|   | Nevion AS      | Nevion group   |
|---|----------------|----------------|
| Expected ordinary audit fees ex. expenses and VAT   | 284 900        | 284 900        |
| Expected ordinary audit fees ex. expenses and VAT   | -              | -              |
| Expected audit fees in subsidiaries that have not been audited by the Group auditor                       | -              | 426 862        |
| Fees other financial audit and other technical accounting assistance                                      | 83 000         | 83 000         |
| Fees for assistance in the field of taxation  | 118 056        | 118 056        |
| <b>Total statutory audit (in accordance with the requirements of the Financial Supervisory Authority)</b> | <b>485 956</b> | <b>912 818</b> |



## Note 12 Other Operating Expense

| <i>Other operating expenses consist of the following types of costs:</i> | Nevion AS         |                   | Nevion group      |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 2020              | 2019              | 2020              | 2019              |
| Sales and marketing expenses   | 8 852 144         | 19 120 683        | 10 439 754        | 25 730 140        |
| Rental costs   | 9 229 277         | 9 325 420         | 11 801 051        | 11 561 464        |
| Other operating expenses   | 17 353 277        | 30 359 927        | 23 154 903        | 35 823 784        |
| <b>Total</b>   | <b>35 434 695</b> | <b>58 806 030</b> | <b>45 395 708</b> | <b>73 115 388</b> |

## Note 13 Other Short-Term Debt

The item Other short-term debt includes provisions for possible future service and guarantee obligations. In total, it has been allocated NOK 1 074 737 to meet possible future service and warranty obligations.

## Note 14 Related Parties

### Transactions with affiliated companies:

The company has made several different transactions with affiliated companies. All transactions are carried out as part of ordinary operations and at arm's length prices.

### The most significant transactions are as follows

- 1) Nevion AS has sold goods to Nevion Sp. z.o.o for 24 978 TNOK in 2020 and TNOK 16 774 in 2019.
- 2) Nevion AS has purchased goods from Nevion Sp. zoo for TNOK 77 614 in 2020 and TNOK 118 544 in 2019.
- 3) Nevion AS has sold goods to Nevion USA, Inc. for TNOK 36 920 in 2020 and TNOK 49 090 in 2019
- 4) Nevion AS has sold goods to Nevion Asia Pte Ltd. for TNOK 17 873 in 2020 and TNOK 37 071 in 2019.
- 5) Nevion AS has sold goods to Nevion Ltd. for TNOK 62 051 in 2020 and TNOK 62 217 in 2019.

## Note 15 Financial Market Risk

### Interest rate risk

The company has no long-term debt at year-end. Countries granted to group companies in USD and EUR are translated at current exchange rates, see note 6.

### Currency risk

Nevion AS has more than 90% of its income in foreign currency (EUR and USD).

98% of turnover is in foreign currency, mainly EUR and USD, and sales revenue is recorded at the current exchange rate. The company seeks to the greatest extent possible to reduce currency risk through natural hedging. Purchases of goods are primarily made in EUR and USD, and the operating costs of several of the company's subsidiaries are in the same currencies. The Group did not use currency forward contracts or other financial instruments during the financial year.

### Commodity price risk

The risk of fluctuations in prices for electronics components is hedged through long-term forecasts of purchases, as well as the conclusion of strategic agreements with suppliers and other players in the market. Nevion AS has a significant share if its merchandise purchases in EUR and USD.

## Note 16 Earnings per share

|                           | 2020         | 2019         |
|---------------------------|--------------|--------------|
| Group profit for the year | -30 089 466  | -27 253 954  |
| Average number of shares  | 69 531 969   | 69 530 692   |
| <b>Earnings per share</b> | <b>-0,43</b> | <b>-0,39</b> |

## Note 17 Financial items

| <i>Financial income:</i>                           | Nevion AS         |                    | Nevion group       |                    |
|--|-------------------|--------------------|--------------------|--------------------|
|  | 2020              | 2019               | 2020               | 2019               |
| Interest income from enterprises in the same group | 2 763 301         | 2 936 384          | -                  | -                  |
| Other interest income                              | 34 506            | 157 992            | 41 004             | 158 427            |
| Another financial income                           | 5 991 266         | 17 305 871         | 12 276 203         | 21 707 035         |
| <b>Total financial income</b>                      | <b>8 789 073</b>  | <b>20 400 247</b>  | <b>12 317 207</b>  | <b>21 865 462</b>  |
| <i>Financial expenses:</i>                         |                   |                    |                    |                    |
| Interest cost to enterprises in the same group     | -                 | -                  | -                  | -                  |
| Impairment shares in subsidiaries                  | -                 | -                  | -                  | -                  |
| Impairment receivable on subsidiary                | -                 | -                  | -                  | -                  |
| Other interest expenses                            | -508 420          | -451 849           | -567 427           | -748 629           |
| Other financial cost                               | -9 078 671        | -19 933 125        | -17 898 788        | -24 897 510        |
| <b>Total finance costs</b>                         | <b>-9 587 091</b> | <b>-20 384 974</b> | <b>-18 466 215</b> | <b>-25 646 139</b> |

The items on other financial income and expenses are mainly due to currency effects on intra-group loans in foreign currencies.



Skatteetaten

|                 |                     |                                     |
|-----------------|---------------------|-------------------------------------|
| Vår dato        | Din/Deres dato      | Saksbehandler                       |
| 11.03.2021      | 25.02.2021          | Vibeke Horne                        |
| 800 80 000      | Din/Deres referanse | Telefon                             |
| Skatteetaten.no |                     | 90518192                            |
| Org.nr          | Vår referanse       | Postadresse                         |
| 974761076       | 2021/5284389        | Postboks 9200 Grønland<br>0134 OSLO |

KPMG AS 150  
Postboks 2000 Majorstra  
0306 OSLO 3201 SANDEFJORD

Att. Ina Saue Oddenes

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Nevia AS, org.nr. 976 584 201

Vi viser til deres brev av 25. februar 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Nevia AS.

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

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

### Bakgrunn

Nevia AS er eid av et utenlandsk selskap som er en del av et internasjonalt konsern. Selskapet driver innen den virtuelle medie-bransjen. Den faktiske virksomheten foregår hovedsakelig i Norge, men selskapet har flere kontorer i utlandet. Kundene er både norske og utenlandske, og utgjør kun selskaper. Engelsk er selskapets arbeidsspråk. Styreleder og flere av styremedlemmene i selskapet er utenlandske.

### Skattekontorets vurdering

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

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

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



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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er eid av et utenlandsk selskap og er i et internasjonalt konsern. 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

Vibeke Home  
rådgiver  
Brukerdialog, brukerkontakt  
Skatteetaten

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



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Enterprise 935 174 627 MVA

To the General Meeting of Nevion AS

## Independent auditor's report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Nevion AS showing a loss of NOK 21 958 112 in the financial statements of the parent company and loss of NOK 30 089 466 in the financial statements of the group. The financial statements comprise:

- The financial statements of the parent company Nevion AS (the Company), which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Nevion AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

#### Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, 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.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

#### Offices in:

|         |              |              |           |
|---------|--------------|--------------|-----------|
| Oslo    | Elverum      | Mo i Rana    | Stord     |
| Ållå    | Finnsnes     | Molde        | Straume   |
| Arendal | Hamar        | Skien        | Tromsø    |
| Bergen  | Haugesund    | Sandefjord   | Trondheim |
| Bodo    | Knarvik      | Sandnessjøen | Tynset    |
| Drammen | Kristiansand | Stavanger    | Ålesund   |



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## Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. 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



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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.

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.

## Report on Other Legal and Regulatory Requirements

### Opinion on the Board of Directors' report

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

### Opinion on Registration and Documentation

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

Sandefjord, 24 June 2021  
KPMG AS

Frode Bohlin Lea  
State Authorised Public Accountant