



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

| | |
|----------------------|-----------------------------|
| Organisasjonsnummer: | 987 307 749 |
| Organisasjonsform: | Aksjeselskap |
| Foretaksnavn: | SQUAREHEAD TECHNOLOGY AS |
| Forretningsadresse: | Nydalsveien 28 0484 OSLO |

Regnskapsår

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

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: | Tore Engebretsen |
| Dato for fastsettelse av årsregnskapet: | 28.06.2023 |

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 02.05.2024



Resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|---|------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Revenue | | 45 064 435 | 51 173 215 |
| Other income | | 11 950 000 | 4 927 808 |
| Sum inntekter | | 57 014 435 | 56 101 023 |
| Kostnader | | | |
| Raw materials and consumables used | | 12 885 229 | 11 661 652 |
| Employee benefits expense | | 52 965 928 | 44 060 437 |
| Depreciation and amortisation expenses | | 2 205 935 | 2 206 780 |
| Other expenses | | 17 628 509 | 14 085 847 |
| Sum kostnader | | 85 685 602 | 72 014 717 |
| Driftsresultat | | -28 671 167 | -15 913 693 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 126 199 | 8 929 |
| Other financial income | | 29 594 | 25 542 |
| Sum finansinntekter | | 155 793 | 34 471 |
| Annen rentekostnad | | 102 867 | 31 511 |
| Other financial expenses | | 92 | 565 |
| Sum finanskostnader | | 102 959 | 32 076 |
| Netto finans | | 52 834 | 2 395 |
| Ordinært resultat før skattekostnad | | -28 618 333 | -15 911 298 |
| Income tax expense | | | 255 795 |
| Ordinært resultat etter skattekostnad | | -28 618 333 | -16 167 093 |
| Årsresultat | | -28 618 333 | -16 167 093 |
| Årsresultat etter minoritetsinteresser | | -28 618 333 | -16 167 093 |
| Totalresultat | | -28 618 333 | -16 167 093 |



Resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|--|-------------|--------------------|--------------------|
| Overføringer og disponeringer | | | |
| Transferred from other equity | | -28 618 333 | -16 167 093 |
| Sum overføringer og disponeringer | | -28 618 333 | -16 167 093 |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|--|------|-------------------|-------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Development | | 2 500 000 | 2 847 822 |
| Patents, licences, trademarks and similar rights | | 1 650 384 | 1 890 669 |
| Utsatt skattefordel | | 8 405 744 | 8 405 744 |
| Sum immaterielle eiendeler | | 12 556 128 | 13 144 235 |
| Varige driftsmidler | | | |
| Equipment and other movables | | 452 019 | 381 610 |
| Sum varige driftsmidler | | 452 019 | 381 610 |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap | | 30 000 | 30 000 |
| Other long-term receivables | | 846 617 | 846 617 |
| Sum finansielle anleggsmidler | | 876 617 | 876 617 |
| Sum anleggsmidler | | 13 884 764 | 14 402 461 |
| Omløpsmidler | | | |
| Varer | | | |
| Sum varer | | 23 355 590 | 14 783 765 |
| Fordringer | | | |
| Accounts receivables | | 4 200 371 | 7 107 714 |
| Other short-term receivables | | 7 021 720 | 8 282 200 |
| Sum fordringer | | 11 222 091 | 15 389 913 |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and cash equivalents | | 6 384 614 | 32 453 650 |
| Sum bankinnskudd, kontanter og lignende | | 6 384 614 | 32 453 650 |
| Sum omløpsmidler | | 40 962 295 | 62 627 329 |
| SUM EIENDELER | | 54 847 059 | 77 029 790 |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---------------------------------------|------|-------------------|-------------------|
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | | 474 482 | 472 227 |
| Sum innskutt egenkapital | | 474 482 | 472 227 |
| Opptjent egenkapital | | | |
| Other equity | | 33 221 565 | 60 624 453 |
| Sum opptjent egenkapital | | 33 221 565 | 60 624 453 |
| Sum egenkapital | | 33 696 047 | 61 096 680 |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Liabilities to financial institutions | | 1 | 1 |
| Leverandørgjeld | | 2 577 585 | 3 037 770 |
| Public duties payable | | 3 736 183 | 2 734 519 |
| Other current liabilities | | 14 837 243 | 10 160 820 |
| Sum kortsiktig gjeld | | 21 151 012 | 15 933 111 |
| Sum gjeld | | 21 151 012 | 15 933 111 |
| SUM EGENKAPITAL OG GJELD | | 54 847 059 | 77 029 790 |



Konsernets resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|---|-----------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Revenue | 10 | 50 232 925 | 56 177 685 |
| Other income | | 11 950 000 | 5 286 824 |
| Sum inntekter | 1 | 62 182 925 | 61 464 509 |
| Kostnader | | | |
| Raw materials and consumables used | | 12 921 595 | 11 869 486 |
| Employee benefits expense | 3 | 56 199 583 | 47 307 403 |
| Depreciation and amortisation expense | 4 | 2 205 935 | 2 206 780 |
| Other expenses | 3, 9 | 19 025 789 | 15 377 000 |
| Sum kostnader | | 90 352 902 | 76 760 669 |
| Driftsresultat | | -28 169 977 | -15 296 160 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 126 211 | 8 929 |
| Other financial income | | 29 594 | 25 542 |
| Sum finansinntekter | | 155 805 | 34 471 |
| Annen rentekostnad | | 102 867 | 31 511 |
| Other financial expenses | | 92 | 565 |
| Sum finanskostnader | | 102 959 | 32 076 |
| Netto finans | | 52 846 | 2 395 |
| Ordinært resultat før skattekostnad | | -28 117 131 | -15 293 765 |
| Income tax expense | 5 | 96 245 | 336 910 |
| Ordinært resultat etter skattekostnad | | -28 213 376 | -15 630 675 |
| Årsresultat | 13 | -28 213 376 | -15 630 675 |
| Årsresultat etter minoritetsinteresser | | -28 213 376 | -15 630 675 |
| Totalresultat | | -28 213 376 | -15 630 675 |



Konsernets resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|--|-------------|--------------------|--------------------|
| Overføringer og disponeringer | | | |
| Transferred from other equity | | -28 213 376 | -15 630 675 |
| Sum overføringer og disponeringer | | -28 213 376 | -15 630 675 |



Konsernets balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|--|-------------|-------------------|-------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Research and development | | 2 500 000 | 2 847 822 |
| Concessions, patents, licences, trademarks, and similar rights | 4 | 1 650 384 | 1 890 669 |
| Utsatt skattefordel | 5 | 8 405 744 | 8 405 744 |
| Sum immaterielle eiendeler | | 12 556 128 | 13 144 235 |
| Varige driftsmidler | | | |
| Equipment and other movables | 14 | 452 019 | 381 610 |
| Sum varige driftsmidler | | 452 019 | 381 610 |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap | 6 | | |
| Investering i annet foretak i samme konsern | 6 | | |
| Lån til foretak i samme konsern | 6 | | |
| Investeringer i tilknyttet selskap | 6 | | |
| Lån til tilknyttet selskap og felles kontrollert virksomhet | 6 | | |
| Obligasjoner | 10 | 908 262 | 881 900 |
| Sum finansielle anleggsmidler | | 908 262 | 881 900 |
| Sum anleggsmidler | | 13 916 409 | 14 407 745 |
| Omløpsmidler | | | |
| Varer | | | |
| Sum varer | 7, 14 | 23 668 569 | 15 097 083 |
| Fordringer | | | |
| Accounts receivables | 8, 9, 14 | 2 388 135 | 7 692 538 |
| Other short-term receivables | 8 | 7 152 451 | 8 427 365 |
| Sum fordringer | | 9 540 586 | 16 119 903 |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and cash equivalents | 11 | 11 558 387 | 34 496 226 |
| Sum bankinnskudd, kontanter og lignende | | 11 558 387 | 34 496 226 |



Konsernets balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---------------------------------------|------|-------------------|-------------------|
| Sum omløpsmidler | | 44 767 542 | 65 713 212 |
| SUM EIENDELER | | 58 683 951 | 80 120 957 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 12 | 474 482 | 472 227 |
| Sum innskutt egenkapital | | 474 482 | 472 227 |
| Opptjent egenkapital | | | |
| Other equity | | 39 184 184 | 65 584 331 |
| Sum opptjent egenkapital | | 39 184 184 | 65 584 331 |
| Sum egenkapital | 13 | 39 658 666 | 66 056 558 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Utsatt skatt | 5 | | |
| Annen langsiktig gjeld | | | |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 2 576 004 | 3 179 441 |
| Tax payable | 5 | 49 287 | |
| Public duties payable | | 3 736 962 | 2 734 519 |
| Other current liabilities | 10 | 12 663 032 | 8 150 439 |
| Sum kortsiktig gjeld | | 19 025 285 | 14 064 399 |
| Sum gjeld | | 19 025 285 | 14 064 399 |
| SUM EGENKAPITAL OG GJELD | | 58 683 951 | 80 120 957 |



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 554353

Enheten

Organisasjonsnummer: 987 307 749
Organisasjonsform: Aksjeselskap
Foretaksnavn: SQUAREHEAD TECHNOLOGY AS
Forretningsadresse: Nydalsveien 28
0484 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Tore Engebretsen
Dato for fastsettelse av årsregnskapet: 28.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

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

Brønnøysundregistrene, 08.07.2023



Organisasjonsnr: 987 307 749
SQUAREHEAD TECHNOLOGY AS

RESULTATREGNSKAP

| Beløp i: NOK | Note | 2022 | 2021 |
|---|-------------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Revenue | | 45 064 435 | 51 173 215 |
| Other income | | 11 950 000 | 4 927 808 |
| Sum inntekter | | 57 014 435 | 56 101 023 |
| Kostnader | | | |
| Raw materials and consumables used | | 12 885 229 | 11 661 652 |
| Employee benefits expense | | 52 965 928 | 44 060 437 |
| Depreciation and amortisation expenses | | 2 205 935 | 2 206 780 |
| Other expenses | | 17 628 509 | 14 085 847 |
| Sum kostnader | | 85 685 602 | 72 014 717 |
| Driftsresultat | | -28 671 167 | -15 913 693 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 126 199 | 8 929 |
| Other financial income | | 29 594 | 25 542 |
| Sum finansinntekter | | 155 793 | 34 471 |
| Annen rentekostnad | | 102 867 | 31 511 |
| Other financial expenses | | 92 | 565 |
| Sum finanskostnader | | 102 959 | 32 076 |
| Netto finans | | 52 834 | 2 395 |
| Ordinært resultat før skattekostnad | | | |
| | | -28 618 333 | -15 911 298 |
| Income tax expense | | | 255 795 |
| Ordinært resultat etter skattekostnad | | -28 618 333 | -16 167 093 |
| Årsresultat | | -28 618 333 | -16 167 093 |
| Årsresultat etter minoritetsinteresser | | | |
| | | -28 618 333 | -16 167 093 |
| Totalresultat | | -28 618 333 | -16 167 093 |
| Overføringer og disponeringer | | | |
| Transferred from other equity | | -28 618 333 | -16 167 093 |
| Sum overføringer og disponeringer | | -28 618 333 | -16 167 093 |



Organisasjonsnr: 987 307 749
SQUAREHEAD TECHNOLOGY AS

BALANSE

Beløp i: NOK **Note** **2022** **2021**

BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

| | | |
|--|-------------------|-------------------|
| Development | 2 500 000 | 2 847 822 |
| Patents, licences, trademarks and similar rights | 1 650 384 | 1 890 669 |
| Utsatt skattefordel | 8 405 744 | 8 405 744 |
| Sum immaterielle eiendeler | 12 556 128 | 13 144 235 |

Varige driftsmidler

| | | |
|---------------------------------|----------------|----------------|
| Equipment and other movables | 452 019 | 381 610 |
| Sum varige driftsmidler | 452 019 | 381 610 |

Finansielle anleggsmidler

| | | |
|--|----------------|----------------|
| Investering i datterselskap | 30 000 | 30 000 |
| Other long-term receivables | 846 617 | 846 617 |
| Sum finansielle anleggsmidler | 876 617 | 876 617 |

| | | |
|--------------------------|-------------------|-------------------|
| Sum anleggsmidler | 13 884 764 | 14 402 461 |
|--------------------------|-------------------|-------------------|

Omløpsmidler

Varer

| | | |
|------------------|-------------------|-------------------|
| Sum varer | 23 355 590 | 14 783 765 |
|------------------|-------------------|-------------------|

Fordringer

| | | |
|---------------------------------|-------------------|-------------------|
| Accounts receivables | 4 200 371 | 7 107 714 |
| Other short-term receivables | 7 021 720 | 8 282 200 |
| Sum fordringer | 11 222 091 | 15 389 913 |

Bankinnskudd, kontanter og lignende

| | | |
|--|------------------|-------------------|
| Cash and cash equivalents | 6 384 614 | 32 453 650 |
| Sum bankinnskudd, kontanter og lignende | 6 384 614 | 32 453 650 |

| | | |
|-------------------------|-------------------|-------------------|
| Sum omløpsmidler | 40 962 295 | 62 627 329 |
|-------------------------|-------------------|-------------------|

| | | |
|----------------------|-------------------|-------------------|
| SUM EIENDELER | 54 847 059 | 77 029 790 |
|----------------------|-------------------|-------------------|

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital



| | | |
|---------------------------------------|-------------------|-------------------|
| Share capital | 474 482 | 472 227 |
| Sum innskutt egenkapital | 474 482 | 472 227 |
| Opptjent egenkapital | | |
| Other equity | 33 221 565 | 60 624 453 |
| Sum opptjent egenkapital | 33 221 565 | 60 624 453 |
| Sum egenkapital | 33 696 047 | 61 096 680 |
| Sum langsiktig gjeld | 0 | 0 |
| Kortsiktig gjeld | | |
| Liabilities to financial institutions | 1 | 1 |
| Leverandørgjeld | 2 577 585 | 3 037 770 |
| Public duties payable | 3 736 183 | 2 734 519 |
| Other current liabilities | 14 837 243 | 10 160 820 |
| Sum kortsiktig gjeld | 21 151 012 | 15 933 111 |
| Sum gjeld | 21 151 012 | 15 933 111 |
| SUM EGENKAPITAL OG GJELD | 54 847 059 | 77 029 790 |



Organisasjonsnr: 987 307 749
SQUAREHEAD TECHNOLOGY AS

KONSERNRESULTATREGNSKAP

| Beløp i: NOK | Note | 2022 | 2021 |
|---|-------------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Revenue | 10 | 50 232 925 | 56 177 685 |
| Other income | | 11 950 000 | 5 286 824 |
| Sum inntekter | 1 | 62 182 925 | 61 464 509 |
| Kostnader | | | |
| Raw materials and consumables used | | 12 921 595 | 11 869 486 |
| Employee benefits expense | 3 | 56 199 583 | 47 307 403 |
| Depreciation and amortisation expense | 4 | 2 205 935 | 2 206 780 |
| Other expenses | 3, 9 | 19 025 789 | 15 377 000 |
| Sum kostnader | | 90 352 902 | 76 760 669 |
| Driftsresultat | | -28 169 977 | -15 296 160 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 126 211 | 8 929 |
| Other financial income | | 29 594 | 25 542 |
| Sum finansinntekter | | 155 805 | 34 471 |
| Annen rentekostnad | | 102 867 | 31 511 |
| Other financial expenses | | 92 | 565 |
| Sum finanskostnader | | 102 959 | 32 076 |
| Netto finans | | 52 846 | 2 395 |
| Ordinært resultat før skattekostnad | | | |
| Income tax expense | 5 | 96 245 | 336 910 |
| Ordinært resultat etter skattekostnad | | -28 213 376 | -15 630 675 |
| Årsresultat | 13 | -28 213 376 | -15 630 675 |
| Årsresultat etter minoritetsinteresser | | -28 213 376 | -15 630 675 |
| Totalresultat | | -28 213 376 | -15 630 675 |
| Overføringer og disponeringer | | | |
| Transferred from other equity | | -28 213 376 | -15 630 675 |
| Sum overføringer og disponeringer | | -28 213 376 | -15 630 675 |



Organisasjonsnr: 987 307 749
SQUAREHEAD TECHNOLOGY AS

KONSERNBALANSE

| Beløp i: NOK | Note | 2022 | 2021 |
|--|----------|-------------------|-------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Research and development | | 2 500 000 | 2 847 822 |
| Concessions, patents, licences, trademarks, and similar rights | 4 | 1 650 384 | 1 890 669 |
| Utsatt skattefordel | 5 | 8 405 744 | 8 405 744 |
| Sum immaterielle eiendeler | | 12 556 128 | 13 144 235 |
| Varige driftsmidler | | | |
| Equipment and other movables | 14 | 452 019 | 381 610 |
| Sum varige driftsmidler | | 452 019 | 381 610 |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap | 6 | | |
| Investering i annet foretak i samme konsern | 6 | | |
| Lån til foretak i samme konsern | 6 | | |
| Investeringer i tilknyttet selskap | 6 | | |
| Lån til tilknyttet selskap og felles kontrollert virksomhet | 6 | | |
| Obligasjoner | 10 | 908 262 | 881 900 |
| Sum finansielle anleggsmidler | | 908 262 | 881 900 |
| Sum anleggsmidler | | 13 916 409 | 14 407 745 |
| Omløpsmidler | | | |
| Varer | | | |
| Sum varer | 7, 14 | 23 668 569 | 15 097 083 |
| Fordringer | | | |
| Accounts receivables | 8, 9, 14 | 2 388 135 | 7 692 538 |
| Other short-term receivables | 8 | 7 152 451 | 8 427 365 |
| Sum fordringer | | 9 540 586 | 16 119 903 |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and cash equivalents | 11 | 11 558 387 | 34 496 226 |
| Sum bankinnskudd, kontanter og lignende | | 11 558 387 | 34 496 226 |
| Sum omløpsmidler | | 44 767 542 | 65 713 212 |



| | | | |
|---------------------------------------|-----------|-------------------|-------------------|
| SUM EIENDELER | | 58 683 951 | 80 120 957 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 12 | 474 482 | 472 227 |
| Sum innskutt egenkapital | | 474 482 | 472 227 |
| Opptjent egenkapital | | | |
| Other equity | | 39 184 184 | 65 584 331 |
| Sum opptjent egenkapital | | 39 184 184 | 65 584 331 |
| Sum egenkapital | 13 | 39 658 666 | 66 056 558 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Utsatt skatt | 5 | | |
| Annen langsiktig gjeld | | | |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 2 576 004 | 3 179 441 |
| Tax payable | 5 | 49 287 | |
| Public duties payable | | 3 736 962 | 2 734 519 |
| Other current liabilities | 10 | 12 663 032 | 8 150 439 |
| Sum kortsiktig gjeld | | 19 025 285 | 14 064 399 |
| Sum gjeld | | 19 025 285 | 14 064 399 |
| SUM EGENKAPITAL OG GJELD | | 58 683 951 | 80 120 957 |



Organisasjonsnr: 987 307 749
SQUAREHEAD TECHNOLOGY AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
3

Antall årsverk i regnskapsåret
42.00

| <u>Sum</u> | <u>Beløp</u> |
|---------------------------------|--|
| <u>Balanseført verdi 31.12.</u> | <u>Varige driftsmidler Immaterielle eiend.</u> |

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

| | | |
|--|--------------|------------------|
| <u>Samlet beløp - tilknyttet selskap</u> | <u>Årets</u> | <u>Fjorårets</u> |
|--|--------------|------------------|

| | | |
|---|--------------|------------------|
| <u>Samlet beløp - foretak i samme konsern</u> | <u>Årets</u> | <u>Fjorårets</u> |
|---|--------------|------------------|

| | | |
|---|--------------|------------------|
| <u>Samlet beløp - foretak i samme konsern</u> | <u>Årets</u> | <u>Fjorårets</u> |
|---|--------------|------------------|

| | | |
|---|--------------|------------------|
| <u>Samlet beløp - felles kontrollert virksomhet</u> | <u>Årets</u> | <u>Fjorårets</u> |
|---|--------------|------------------|

| | |
|----------------------|--------------|
| <u>Pantstillelse</u> | <u>Beløp</u> |
|----------------------|--------------|

| | | | |
|----------------------------------|---------------|------------------|-------------------------|
| <u>Beholdning av egne aksjer</u> | <u>Antall</u> | <u>Pålydende</u> | <u>Andel av aksjek.</u> |
|----------------------------------|---------------|------------------|-------------------------|



Organisasjonsnr: 987 307 749
SQUAREHEAD TECHNOLOGY AS

NOTEOPPLYSNINGER - KONSERN

- alle poster oppgitt i hele tall



Skatteetaten

Vår dato
24.02.2021

Din/Deres dato
11.02.2021

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR415814046

Telefon
32212244

Org.nr
974761076

Vår referanse
2021/5194177

Postadresse
Postboks 9200 Grønland
0134 OSLO

SQUAREHEAD TECHNOLOGY AS
Postboks 13 Nydalen
0410 OSLO

Att. Maija Buvarp v/Echas Revisjon AS

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Squarehead Technology AS, org.nr. 987 307 749

Vi viser til deres brev av 11. februar 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Squarehead Technology AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Squarehead Technology 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

Squarehead Technology AS er eid av norske og utenlandske investorer. Selskapet spesialiserte seg på systemer for retningsstyrt lydopptak og lydanalyse. Selskapet er morselskap til et selskap i USA, og mye av kommunikasjonen foregår derfor på engelsk. Omtrent halvparten av konsernets omsetning skjer gjennom det amerikanske datterselskapet.

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.

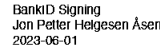
Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet har utenlandske aksjonærer og er morselskap til et selskap i USA. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

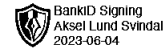
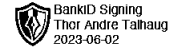
Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Squarehead Technology AS

Annual Report 2022



Squarehead Technology enables the use of precision audio capture of acoustical events. Systems from Squarehead can both understand where a sound is coming from and focus in on that sound. By filtering out and reducing unwanted noise from areas of no interest, Squarehead achieves better range and clearer sound compared to conventional systems.

The company is a world leader in this segment and works towards two different market verticals; security (surveillance & defense) and industrial acoustics. Squarehead Technology is a technological and customer-driven company, with a clear strategy and dedicated employees. The company is headquartered in Oslo.

2022 was the first-year post covid and revenues ended in line with 2021.

RESEARCH AND DEVELOPMENT ACTIVITIES

2022 was another year of high activity level for research and development projects to further strengthen the company's product portfolio.

Significant resources have been invested in further improvement of the software and machine learning (ML) algorithms for the Counter-UAS product family ("Discovair 2"). R&D projects related to the industrial segment have progressed as planned. Early-stage product versions and proof of concepts for Acoustic Quality Control and Condition Monitoring application have been developed and successfully tested by several companies. As a result, both Borregaard and Hydro have invested in equipment, and further projects with these - and others - are in process.

Investments in next generation HW and SW platform for future products was initiated in 2021 and continued in 2022. These platforms increase overall performance and flexibility and enable more applications and use cases within all three market segments. The new HW will also address the challenging component sourcing situation. The first product based on new platform will be launched early 2023 and more will follow later in the year.

Squarehead Technology received NOK 4,7 million in grants from the SkatteFunn scheme and NOK 7,2 million from Innovasjon Norge in 2022.

The grants are both linked to the projects (Industrial & Defense) started in 2021. The company still believes the results from these projects will have significant potential impact on future market growth.

The patent application filed in 2019 (Circular Array) is currently in PCT status. The patent "Drone Detection" was granted in Mexico and Chile in 2021 and is expected to be granted in Canada in 2023.



EMPLOYEES AND WORKING ENVIRONMENT

By year end, the company had 54 full-time employees, of which 7 works in other countries. Squarehead's U.S. subsidiary had 1 employee at year-end. Safeguarding the health and well-being of our employees is important to Squarehead Technology. Average sickness absence during the year was 1,5% (Norwegian employees), and no work accidents resulted in serious personal injury or property damage.

The working environment is good and it has not been necessary to implement improvement measures in 2022.

Gender diversity is important for Squarehead Technology, and the goal is to increase the proportion women in the company. 8 of the employees are women as of December 2022.

The company has a total liability insurance of NOK 25 million for the board members and general manager.

EXTERNAL ENVIRONMENT

The company does not engage in activities that pollute the external environment.

ETHICS

Ethical aspects are important for Squarehead Technology, and an ethics committee develops guidelines and standards related to sales in certain countries.

The company's transparency report can be found on our website www.sqhead.com end of June 2023.

FINANCIAL SUMMARY

The Group's operating revenues for 2022 amounted to NOK 62,2 million. The Group produced a negative operating profit of NOK 28,2 million. Cash flow from operations was negative by NOK 26,4 million.

The revenues in the parent company, Squarehead Technology AS, amounted to NOK 57,0 million in 2022. Operating profit amounted to negative NOK 28,7 million.

In 2022, the Group had a negative profit after tax of NOK 28,2 million, which is proposed to be allocated to other Equity. Book equity at year-end was NOK 39,7 million.

The net cash position at year end was NOK 11,6 million compared to NOK 34,5 million in 2021. The decreased cash position during the year is mainly reflected by the negative operating cash flow.

The Board of Directors believes that the annual accounts provide a fair picture of the company's assets and obligations, financial position and profit and loss. The Board is not familiar with matters that are important for the assessment of the company's position and profit and loss not described in the annual accounts. No cases have occurred since the end of the financial year which, in the opinion of the Board of Directors, is essential for the assessment of the financial statements.



In accordance with Section 3-3 of the Accounting Act, it is confirmed that the prerequisite for continued operation is satisfied, and this prerequisite has been applied in the preparation of the accounts.

MARKET OUTLOOK

The company's international profile is heavily dependent on travels and customer visits in order to grow and generate new sales leads and new customers. After closing 2022 there are still no signs that Squarehead has lost any market traction nor that the competitive landscape has changed.

We experience an increasing number of activities and opportunities, especially within Defense due to the new geopolitical situation. Counter UAS systems are more important than ever, and Squarehead operates in this landscape. Based on the growing interest for the product portfolio, Squarehead will continue to hire people in 2023. This also reflects the Board's optimistic and positive view related to the future prospects and growth potential of Squarehead Technology.

Oslo, 1 June 2023

Board of Directors

Squarehead Technology AS

Tore Engebretsen
Chair

Marius Steen

Axel Dahl

Vibeke Jahr

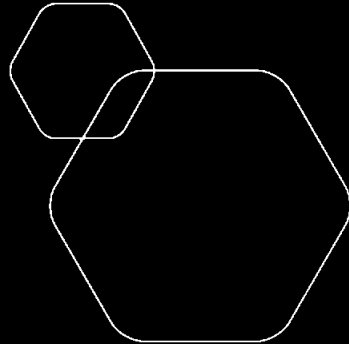
Thor A. Talhaug

Stig Nyvold
(CEO)

Aksel Lund Svindal

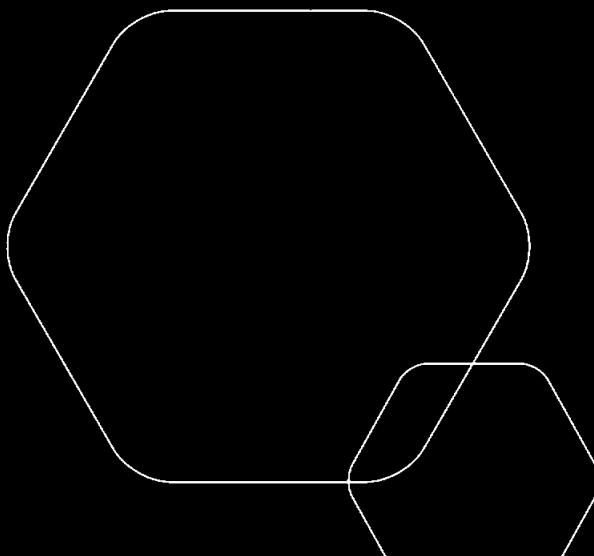
Jon Petter H Åsen
(Employee Rep)

Camilla Jensen
(Employee Rep)



Annual Report 2022 Squarehead Technology AS

The board's annual report
Revenue statement
Balance sheet
Cash flow
Notes to the Accounts
Independent auditor's report



Org.no.: 987 307 749

| | |
|--|--|
| | BankID Signing Jon Petter Helgesen Åsen 2023-06-01 |
| | BankID Signing Stig Oluf Nyvold 2023-06-01 |
| | BankID Signing Thor Andre Taihaug 2023-06-02 |
| | BankID Signing Bertrand Marius Steen 2023-06-03 |
| | BankID Signing Aksel Lund Svindal 2023-06-04 |
| | BankID Signing Vibeke Jahr 2023-06-04 |
| | BankID Signing Axel Dahl 2023-06-05 |
| | BankID Signing Camilla Jensen 2023-06-05 |
| | BankID Signing Tore Enggebretsen 2023-06-05 |



REVENUE STATEMENT - PARENT/GROUP

| SQUAREHEAD TECHNOLOGY AS | | | | | |
|---|--------------------|---------------------------------------|------|--------------------|--------------------|
| 2022 | Morselskap 2021 | | Note | Konsern 2022 | 2021 |
| OPERATING INCOME AND OPERATING EXPENSES | | | | | |
| 45 064 435 | 51 173 215 | Revenue | 10 | 50 232 925 | 56 177 685 |
| 11 950 000 | 4 927 808 | Other income | | 11 950 000 | 5 286 824 |
| 57 014 435 | 56 101 023 | Total income | 1 | 62 182 925 | 61 464 509 |
| 12 885 229 | 11 661 652 | RAW MATERIALS AND CONSUMABLES US | | 12 921 595 | 11 869 486 |
| 52 965 928 | 44 060 437 | Employee benefits expense | 3 | 56 199 583 | 47 307 403 |
| 2 205 935 | 2 206 780 | Depreciation and amortisation expense | 4 | 2 205 935 | 2 206 780 |
| 17 628 509 | 14 085 847 | Other expenses | 3, 9 | 19 025 789 | 15 377 000 |
| 85 685 602 | 72 014 717 | Total expenses | | 90 352 902 | 76 760 669 |
| -28 671 167 | -15 913 693 | Operating profit | | -28 169 977 | -15 296 160 |
| FINANCIAL INCOME AND EXPENSES | | | | | |
| 126 199 | 8 929 | Other interest income | | 126 211 | 8 929 |
| 29 594 | 25 542 | Other financial income | | 29 594 | 25 542 |
| 102 867 | 31 511 | Other Interest expenses | | 102 867 | 31 511 |
| 92 | 565 | Other financial expenses | | 92 | 565 |
| 52 834 | 2 395 | Net financial items | | 52 846 | 2 395 |
| -28 618 333 | -15 911 298 | Net profit before tax | | -28 117 131 | -15 293 765 |
| 0 | 255 795 | Income tax expense | 5 | 96 245 | 336 910 |
| -28 618 333 | -16 167 093 | Net profit after tax | | -28 213 376 | -15 630 675 |
| -28 618 333 | -16 167 093 | Net profit or loss | 13 | -28 213 376 | -15 630 675 |
| ATTRIBUTABLE TO | | | | | |
| 28 618 333 | 16 167 093 | Transferred from other equity | | 28 213 376 | 15 630 675 |
| -28 618 333 | -16 167 093 | Total allocated | | -28 213 376 | -15 630 675 |



| BALANCE SHEET - PARENT/GROUP | | | | | |
|-------------------------------|--------------------|---|----------|-------------------|-------------------|
| SQUAREHEAD TECHNOLOGY AS | | | | | |
| 2022 | Morselskap 2021 | | Note | Konsern 2022 | 2021 |
| ASSETS | | | | | |
| NON-CURRENT | | | | | |
| INTANGIBLE ASSETS | | | | | |
| 2 500 000 | 2 847 822 | Research and development | | 2 500 000 | 2 847 822 |
| 1 650 384 | 1 890 669 | Concessions, patents, licences, trademarks, a | 4 | 1 650 384 | 1 890 669 |
| 8 405 744 | 8 405 744 | Deferred tax asset | 5 | 8 405 744 | 8 405 744 |
| 12 556 128 | 13 144 235 | Total intangible assets | | 12 556 128 | 13 144 235 |
| PROPERTY, PLANT AND EQUIPMENT | | | | | |
| 452 019 | 381 610 | Equipment and other movables | 14 | 452 019 | 381 610 |
| 452 019 | 381 610 | Total property, plant and equipment | | 452 019 | 381 610 |
| NON-CURRENT FINANCIAL ASSETS | | | | | |
| 30 000 | 30 000 | Investments in subsidiaries | 6 | 0 | 0 |
| 846 617 | 846 617 | Other long-term receivables | 10 | 908 262 | 881 900 |
| 876 617 | 876 617 | Total financial fixed assets | | 908 262 | 881 900 |
| 13 884 764 | 14 402 461 | Total non-current assets | | 13 916 409 | 14 407 745 |
| CURRENT ASSETS | | | | | |
| 23 355 590 | 14 783 765 | Inventories | 7, 14 | 23 668 569 | 15 097 083 |
| DEBTORS | | | | | |
| 4 200 371 | 7 107 714 | Accounts receivables | 8, 9, 14 | 2 388 135 | 7 692 538 |
| 7 021 720 | 8 282 200 | Other short-term receivables | 8 | 7 152 451 | 8 427 365 |
| 11 222 091 | 15 389 913 | Total debtors | | 9 540 586 | 16 119 903 |
| 6 384 614 | 32 453 650 | Cash and cash equivalents | 11 | 11 558 387 | 34 496 226 |
| 40 962 295 | 62 627 329 | Total current assets | | 44 767 542 | 65 713 212 |
| 54 847 059 | 77 029 790 | Total assets | | 58 683 951 | 80 120 957 |



| BALANCE SHEET - PARENT/GROUP | | | | | |
|------------------------------|-------------------|-------------------------------|-------|-------------------|-------------------|
| SQUAREHEAD TECHNOLOGY AS | | | | | |
| 2022 | Parent 2021 | | Note | Group 2022 | 2021 |
| | | EQUITY AND LIABILITIES | | | |
| | | PAID-IN CAPITAL | | | |
| 474 482 | 472 227 | Share capital | 12 | 474 482 | 472 227 |
| 474 482 | 472 227 | Total paid-up equity | | 474 482 | 472 227 |
| | | UNRESTRICTED EQUITY | | | |
| 33 221 565 | 60 624 453 | Other equity | | 39 184 184 | 65 584 331 |
| 33 221 565 | 60 624 453 | Total unrestricted equity | | 39 184 184 | 65 584 331 |
| 33 696 047 | 61 096 680 | Total equity | 13 | 39 658 666 | 66 056 558 |
| | | CURRENT LIABILITIES | | | |
| 2 577 585 | 3 037 770 | Trade payables | | 2 576 004 | 3 179 441 |
| 0 | 0 | Tax payable | 5 | 49 287 | 0 |
| 3 736 183 | 2 734 519 | Public duties payable | | 3 736 962 | 2 734 519 |
| 14 837 244 | 10 160 821 | Other current liabilities | 8, 10 | 12 663 032 | 8 150 439 |
| 21 151 012 | 15 933 111 | Total current liabilities | | 19 025 285 | 14 064 399 |
| 21 151 012 | 15 933 111 | Total liabilities | | 19 025 285 | 14 064 399 |
| 54 847 059 | 77 029 790 | Total equity and liabilities | | 58 683 951 | 80 120 957 |

Oslo, 01.06.2023
The board of Squarehead Technology AS

Bertrand Marius Steen
Board Member

Tore Engebretsen
Chair

Axel Dahl
Board Member

Vibeke Jahr Nyvold
Board Member

Thor André Talhaug
Board Member

Aksel Lund Svindal
Board Member

Stig Oluf Nyvold
CEO

Jon Petter Helgesen Åsen
Board Member/Employee Rep.

Camilla Jensen
Board Member/Employee Rep.



INDIRECT CASH FLOW - GROUP

SQUAREHEAD TECHNOLOGY AS

Statement of cash flows (NRS - Indirect model)

NRS Indirect method

| | Note | 2022 | 2021 |
|---|------|-------------|-------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit/loss before tax | | -28 117 131 | -15 293 765 |
| Tax paid in the period | | 0 | 447 504 |
| Ordinary depreciation | | 2 205 935 | 2 206 780 |
| Change in inventory | | -8 571 486 | -3 168 149 |
| Change in accounts receivable | | 5 304 403 | -3 877 598 |
| Change in accounts payable | | -603 436 | 876 888 |
| Change in other accrual items | | 3 419 051 | 890 770 |
| Net cash flows from operating activities | | -26 362 664 | -18 812 578 |
| CASH FLOWS FROM INVESTMENT ACTIVITIES | | | |
| Payments for the purchase of fixed assets | | 1 688 237 | 1 040 678 |
| Net cash flows from investment activities | | -1 688 237 | -1 040 678 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of new current liabilities | | 4 044 000 | 0 |
| Proceeds from equity | | 1 217 700 | 38 185 595 |
| Net cash flows from financing activities | | 5 261 700 | 38 185 595 |
| Net change in cash and cash equivalents | | -22 789 201 | 18 332 339 |
| Cash and cash equivalents at the start of the period | | 34 496 226 | 16 163 886 |
| Cash and cash equivalents at the end of the period | | 11 707 025 | 34 496 226 |



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ACCOUNTING PRINCIPLES

The annual accounts have been prepared in conformity with the provisions of the Accounting Act and good accounting practice.

CONSOLIDATION

The group accounts include Squarehead Technology AS and companies where Squarehead Technology AS has a controlling influence. Controlling influence is normally achieved when the group owns more than 50% of the shares in the company and the group is in a position to exercise actual control over the company. Minority interests are included in the group's equity. Transactions and receivables between companies in the group have been eliminated. The group accounts have been prepared applying uniform principles, in that the subsidiary follows the same accounting principles as the parent company.

The purchase method is used when accounting for business mergers. Companies that are bought or sold during the year are included in the group accounts from the time control is obtained until control ceases.

Associated companies are entities over which the group has significant but not controlling influence over financial and operational management (normally with ownership between 20 and 50 %). The group accounts include the group's share of the result from associated companies posted using the equity method from the time that significant influence is obtained until such influence ceases.

When the group's share of a loss exceeds the investment in an associated company, the group's capitalised value is reduced to 0 and further losses are not posted to the profit and loss account unless the group has an obligation to cover this loss.

USE OF ESTIMATES

In the preparation of the annual accounts estimates and assumptions have been made that have affected the profit and loss account and the valuation of assets and liabilities, and uncertain assets and liabilities on the balance sheet date in accordance with generally accepted accounting practice. Areas which to a large extent contain such subjective evaluations, a high degree of complexity, or areas where the assumptions and estimates are material for the annual accounts, are described in the notes.

FOREIGN CURRENCY

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the profit and loss account as they arise under revenue.

REVENUES

Income from the sale of goods is recognised on the date of delivery. Services are posted as income as they are delivered. Income from the sale of services and long-term manufacturing projects (construction contracts) are posted to the profit and loss account in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. When the transaction's outcome cannot be estimated reliably, only income corresponding to a projects' incurred costs can be posted as revenue. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is posted in full to the profit and loss account.

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TAX

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22% on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised.

CLASSIFICATION AND VALUATION OF FIXED ASSETS

Fixed assets consist of assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Plant and equipment is capitalised and appreciated over the economic lifetime of the asset. Significant items of plant and equipment that consist of several material components with different lifetimes are broken down in order to establish different depreciation periods for the different components. Direct maintenance of plant and equipment is expensed on an ongoing basis under operating costs, while additions or improvements are added to the asset's cost price and depreciated in line with the asset. Plant and equipment is written down to the recoverable amount in the event of a fall in value that is not expected to be temporary. The recoverable amount is the higher of the net sales value and the value in use. Value in use is the present value of future cash flows related to the asset. The write-down is reversed when the basis for the write-down is no longer present.

CLASSIFICATION AND VALUATION OF CURRENT ASSETS

Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

RESEARCH AND DEVELOPMENT

Expenses on research and development are capitalised to the extent one can identify a future economic benefit related to the development of an identifiable intangible asset and where the acquisition cost can be measured reliably. In the opposite case such costs are expensed as incurred.

SUBSIDIARIES AND ASSOCIATED COMPANIES

Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

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GOODS

Goods are valued at the lower of acquisition cost and net sale value. Sale value is the estimated sale price in ordinary operations after deduction of estimated necessary expenses for completing the sale. Acquisition cost includes expenses incurred in acquiring goods and costs necessary to bring the goods to the present position and are attributed using the FIFO principle.

RECEIVABLES

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

PENSION LIABILITIES - DEFINED-CONTRIBUTION SCHEME

The cost of a defined-contribution pension scheme corresponds to the premium paid to the insurance company for the period.

SHORT-TERM INVESTMENTS

Short-term investments (shares and interests valued as current assets) are valued at the lower of acquisition cost and fair value on the balance sheet date. Dividends and other distributions received from the companies are posted to income under other financial income.

GUARANTEES

A provision has been made for expected guarantee costs. The guarantee provision is entered in the balance sheet under other short-term liabilities.

Costs related to conditional outcomes are posted to the accounts when the outcome can be estimated and the cost is regarded as likely.

CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.



SQUAREHEAD TECHNOLOGY AS 987 307 749

Note 1 Revenues

Parent

| | 2022 | 2021 |
|--|------------|------------|
| External (Sales of goods) | 37 291 083 | 41 099 636 |
| Internal (Sales of goods) | 7 773 352 | 10 073 578 |
| Innovation Norway grant | 7 200 000 | 0 |
| Norwegian government grant to compensate for covid-19 related lo | 0 | 585 156 |
| SkatteFunn | 4 750 000 | 4 342 653 |
| Total | 57 014 435 | 56 101 023 |

Group

| | | |
|--|------------|------------|
| Sales of goods | 50 232 925 | 56 177 685 |
| Norwegian government grant to compensate for covid-19 related losses | 0 | 585 156 |
| US government compensation for covid-19 related losses | 0 | 359 015 |
| SkatteFUNN | 4 750 000 | 4 342 653 |
| Innovation Norway grant | 7 200 000 | 0 |
| Total | 62 182 925 | 61 464 509 |

Note 2 Government grants

In 2022 the company has received grants that have been posted to income for research and development projects via the SkatteFUNN scheme of NOK 4 750 000 and as a grant from Innovasjon Norge of NOK 7 200 000 in the parent company. In 2021 the company received NOK 4 342 653 via SkatteFUNN scheme.

The amount has been posted as other operating income.

The parent company received final compensation for the losses due to the covid-19 pandemic from the Norwegian government in 2021.

The subsidiary in the USA has had a loan redone as income as a part of the US government covid-19 relief program in 2021.



SQUAREHEAD TECHNOLOGY AS

987 307 749

Note 3 Salary costs and benefits, remuneration to the chief executive, board and auditor

| | Parent | Group |
|----------------|------------|------------|
| Salaries | 44 110 098 | 46 849 055 |
| Employment tax | 5 841 782 | 6 336 479 |
| Pension costs | 1 660 610 | 1 660 610 |
| Other benefits | 1 353 438 | 1 353 438 |
| Total | 52 965 928 | 56 199 583 |

In 2022 the parent employed 46,5 man-years and the group employed 49,3 man-years.

PENSION LIABILITIES

The parent company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

| Remuneration to leading personnel | Chief Executive | Board |
|-----------------------------------|-----------------|-------|
| Salaries Squarehead Technology AS | 2 687 144 | 0 |
| Other benefits | 48 705 | 0 |
| Pension costs | 61 422 | 0 |
| Total | 2 797 271 | 0 |

The CEO and the CFO have a stock option agreement based on their employment in the company.

| Auditor | Audit | Other services |
|-------------------------|--------|----------------|
| Parent (ex VAT) | 92 500 | 74 550 |
| Group (partly incl VAT) | 95 625 | 79 613 |



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Note 4 Fixed assets

Parent fixed assets

| | Research and development | Equipment and other movables | Patents | Licences | Total |
|--|--------------------------|------------------------------|-----------|------------|------------|
| Purchase cost as of 01/01/2022 | 4 195 644 | 2 592 792 | 2 397 334 | 1 867 666 | 11 053 436 |
| + Inflow purchased fixed assets | 1 000 000 | 530 782 | 157 455 | 0 | 1 688 237 |
| = Acquisition cost 31/12/2022 | 5 195 644 | 3 123 574 | 2 554 789 | 1 867 666 | 12 741 673 |
| Accumulated depreciations and write-downs 31/12/2022 | -2 695 644 | -2 671 556 | -904 405 | -1 867 666 | -8 139 271 |
| = Book value 31/12/2022 | 2 500 000 | 452 018 | 1 650 384 | 0 | 4 602 402 |
| This years ordinary depreciations | 0 | 460 374 | 127 739 | 270 000 | 858 113 |
| This years write-downs | 1 347 822 | 0 | 0 | 0 | 1 347 822 |
| Economic life span | | 3-5 years | 20 years | 5 years | |

Note 5 Tax

| | Parent | | Group | |
|--|-------------|-------------|-------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| Entered tax on ordinary profit/loss: | | | | |
| Payable tax | 0 | 0 | 96 245 | 81 115 |
| Changes in deferred tax assets | 0 | 255 795 | 0 | 255 795 |
| Tax expence on ordinary profit/loss | 0 | 255 795 | 96 245 | 336 910 |
| Taxable income: | | | | |
| Ordinary result before tax: | -28 618 333 | -15 911 298 | -28 117 131 | -15 293 765 |
| Permanent differences | -4 710 063 | -4 270 153 | -4 710 063 | -4 270 153 |
| Changes in temporary differences | -390 824 | -1 162 705 | -390 824 | -1 162 705 |
| Taxable income | -33 719 220 | -21 344 156 | -33 218 018 | -20 726 623 |
| Basis for deferred tax specified: | | | | |
| Tangible assets | -415 966 | -201 735 | -415 966 | -201 735 |
| Stock | -2 491 627 | -1 748 859 | -2 491 627 | -1 748 859 |
| Allocations and more | -1 385 772 | -1 385 772 | -1 385 772 | -1 385 772 |
| Accumulated loss brought forward | -88 587 115 | -56 215 718 | -88 879 134 | -56 498 961 |
| Kept out of the basis for deferred tax | 54 672 551 | 21 344 156 | 54 964 570 | 21 627 399 |
| Basis for deferred tax assets | -38 207 929 | -38 207 928 | -38 207 929 | -38 207 928 |
| Deferred tax assets (22%) | -8 405 744 | -8 405 744 | -8 405 744 | -8 405 744 |

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Note 6 Subsidiaries, associates, joint ventures

| The parent company owns | Municipality | Owner share | Share of equity 31/12/2022 | Share of result 2022 | Book value |
|----------------------------|--------------|-------------|-------------------------------|-------------------------|------------|
| Squarehead Technology LLC | USA | 100 % | 6 005 111 | 413 733 | 0 |
| Squarehead Laboratories AS | Oslo | 100 % | -262 019 | 0 | 30 000 |

Note 7 Inventory

Parent

| | 2022 | 2021 |
|--|------------|------------|
| Stocks of raw materials | 11 166 805 | 6 486 524 |
| Stocks of goods in development | 657 107 | 528 778 |
| Stocks of self-produced finished goods | 10 702 552 | 7 113 782 |
| Stocks of goods for demonstration | 829 125 | 654 680 |
| Total | 23 355 590 | 14 783 765 |

Out of the total inventory value of Squarehead Technology AS as at 31.12.2022 NOK 1 273 578 has been written down to fair value due to being considered obsolete.

Group

| | 2022 | 2021 |
|--|------------|------------|
| Stocks of raw materials | 11 166 805 | 6 486 524 |
| Stocks of goods in development | 657 107 | 528 778 |
| Stocks of self-produced finished goods | 10 702 552 | 7 224 854 |
| Stocks of goods for demonstration | 1 142 104 | 856 927 |
| Total | 23 668 569 | 15 097 083 |

Note 8 Inter-company items between companies in the same group etc.

Inter-company items between companies in the same group etc.

| | | |
|------------------------------|-----------|-----------|
| Squarehead Technology AS | 2022 | 2021 |
| Customer receivables | 2 199 914 | 82 256 |
| Sum | 2 199 914 | 82 256 |
| Squarehead Technology AS | 2022 | 2021 |
| Other short-term liabilities | 2 182 927 | 2 016 018 |
| Sum | 2 182 927 | 2 016 018 |



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Note 9 Customer receivables

Parent

| | 2022 | 2021 |
|---|-----------|-----------|
| Customer receivables at par value | 4 200 371 | 7 107 714 |
| Book value of customer receivables 31.12 | 4 200 371 | 7 107 714 |
| Realised losses | 0 | 50 609 |
| Total losses on receivables posted against the result | 0 | 50 609 |

Group

| | 2022 | 2021 |
|---|-----------|-----------|
| Customer receivables at par value | 2 388 135 | 7 692 538 |
| Book value of customer receivables 31.12 | 2 388 135 | 7 692 538 |
| Realised losses | 0 | 50 609 |
| Total losses on receivables posted against the result | 0 | 50 609 |

Expensed losses are classified as other operating costs in the profit and loss account.

Note 10 Receivables and liabilities

Parent

| | 2022 | 2021 |
|---|---------|---------|
| Receivables with a maturity later than one year | | |
| Other long-term receivables (deposit) | 846 617 | 846 617 |

Group

| | 2022 | 2021 |
|---|---------|---------|
| Receivables with a maturity later than one year | | |
| Other short-term receivables | 908 262 | 881 900 |

Included in other short-term debt is a NOK 1 385 772 deposition for a future guarantee obligations and NOK 4 044 000 as loan from shareholders.

Note 11 Bank deposits

Parent

Funds standing on the tax deduction account (restricted funds) amount to NOK 2 101 473.



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Note 12 Shareholders

THE SHARE CAPITAL IN SQUAREHEAD TECHNOLOGY AS OF 31.12 CONSISTS OF:

| | Total | Face value | Entered |
|-----------------|---------|------------|---------|
| Ordinary shares | 474 482 | 1,00 | 474 482 |

OWNERSHIP STRUCTURE

The largest shareholders in % at the year end:

| | Ordinary | Owner interest |
|---------------------------------|----------|----------------|
| Torkap AS | 56 568 | 11,9 |
| Passesta AS | 49 618 | 10,4 |
| Nunatak AS | 31 139 | 6,6 |
| Norselab F I Sqh AS | 29 600 | 6,2 |
| Bryhni.com AS | 28 323 | 6,0 |
| Ubon Partners AS | 25 053 | 5,3 |
| Casamare Invest AS | 21 095 | 4,4 |
| TV 2 Gruppen AS | 20 043 | 4,2 |
| Ghibli AS | 19 450 | 4,1 |
| Stig Oluf Nyvold | 15 500 | 3,3 |
| Kolnes Cybernetic Consulting AS | 15 142 | 3,2 |
| Kaare M. Gautvik | 12 700 | 2,7 |
| Andenes Investments S.L | 12 526 | 2,6 |
| Sollund AS | 11 127 | 2,3 |
| Sci Finance AS | 11 087 | 2,3 |
| Slåpekroken AS | 11 074 | 2,3 |
| Robert Horne | 9 200 | 1,9 |
| Tor Anstein Olsen | 8 457 | 1,8 |
| Sundt AS | 7 408 | 1,6 |
| AS BioTrade | 7 300 | 1,5 |
| Navartech AS | 7 135 | 1,5 |
| Camilla Jensen | 5 007 | 1,1 |
| Kuling AS | 5 000 | 1,1 |
| Total >1% ownership | 419 395 | 88,4 |
| Total of other shares | 55 087 | 11,6 |
| Total of shares | 474 482 | 100,0 |

SHARES OWNED BY THE BOARD MEMBERS AND THE CEO:

| Name | Position | Ordinary |
|---|----------------------------|----------|
| Marius Steen (Torkap AS) | Board Member | 56 568 |
| Tore Engebretsen (Passesta AS) | Chair | 49 618 |
| Vibeke Jahr Nyvold (Casamare Invest AS) | Board Member | 21 095 |
| Thor André Talhaug (Ghibli AS) | Board Member | 19 450 |
| Stig Oluf Nyvold | CEO | 15 500 |
| Camilla Jensen | Board Member/Employee Rep. | 5 007 |
| Jon Petter Helgesen Åsen (JP Aasen AS) | Board Member/Employee Rep. | 2 800 |
| Total number of shares | | 170 038 |

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Note 13 Equity capital

Parent

| | Share capital | Other equity capital | Total equity capital |
|---------------------|---------------|----------------------|----------------------|
| As at 01.01.2022 | 472 227 | 60 624 453 | 61 096 680 |
| Capital increase | 2 255 | 1 215 445 | 1 217 700 |
| Result of the year | | -28 618 333 | -28 618 333 |
| As at pr 31.12.2022 | 474 482 | 33 221 565 | 33 696 047 |

Group

| | Share capital | Other equity capital | Total equity capital |
|-----------------------|---------------|----------------------|----------------------|
| As at 01.01.2022 | 472 227 | 65 584 331 | 66 056 558 |
| Capital increase | 2 255 | 1 215 445 | 1 217 700 |
| Result of the year | | -28 213 376 | -28 213 376 |
| Valuation differences | | 597 784 | 597 784 |
| As at 31.12.2022 | 474 482 | 39 184 184 | 39 658 666 |

Note 14 Charges and guarantees

The parent has a granted overdraft up to NOK 3 000 000. The overdraft is secured by charging equipment, inventories and customer receivables up to NOK 15 000 000. Pr 31.12. the granted overdraft is not in use.

| Book value of charged assets | 2022 | 2021 |
|------------------------------|------------|------------|
| Plant and equipment | 452 019 | 381 610 |
| Inventories | 23 355 590 | 14 783 765 |
| Customer receivables | 4 200 371 | 7 107 714 |
| Total | 28 007 980 | 22 273 090 |



ECHAS REVISJON AS

STATSAUTORISERT REVISOR
ERIK CHRISTOFFERSEN

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To the shareholders of
Squarehead Technology AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the financial statements of Squarehead Technology AS (the company), showing a loss of NOK 28 618 333 in the financial statements of the parent company, and a loss of NOK 28 213 376 in the financial statements of the group.

The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at December 31, 2022, and 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 financial statements of the group, which comprise the balance sheet as at December 31, 2022, and 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 laws and regulations
- The accompanying financial statements give a true and fair view of the financial position of the parent company as at December 31, 2022, and (of) 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 financial statements give a true and fair view of the financial position of the group as at December 31, 2022, and (of) its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

MEDLEM AV DEN NORSKE REVISORFORENING



ECHAS REVISJON AS

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, included 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 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.

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 and fair presentation 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 Groups's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the Company or Group will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of the auditor's responsibilities, visit <https://revisorforeningen.no/om-revisjon/revisionsberetning-revisors-oppgaver-og-plikter/>

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 and the going concern assumption and the proposal for the coverage of the loss is consistent with the financial statements and complies with the law and regulations.



ECHAS REVISJON AS

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.

Slependen, June 6th, 2023

Echas Revisjon AS


Erik Christoffersen

Certified Public Accountant/Statsautorisert revisor

MEDLEM AV DEN NORSKE REVISORFORENING