



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	946 671 975
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	VISSIM AS
Forretningsadresse:	Storgata 34 3182 HORTEN

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
-------------------------	-------------------------

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:	Per Arne Henæs
Dato for fastsettelse av årsregnskapet:	24.05.2022

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 13.04.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	3,12	130 053 647	111 552 839
Sum inntekter		130 053 647	111 552 839
Kostnader			
Endring i beholdning av egentilvirkede anleggsmidler	9	-27 376 702	-24 971 893
Varekostnad		43 817 373	37 230 483
Lønnskostnad	4,5	21 708 887	18 855 726
Avskrivning på varige driftsmidler og immaterielle eiendeler	9,10	12 970 725	7 266 016
Annen driftskostnad	4,6	69 242 819	52 664 094
Sum kostnader		120 363 102	91 044 426
Driftsresultat		9 690 545	20 508 413
Finansinntekter og finanskostnader			
Annen finansinntekt	7	4 279 112	4 923 450
Sum finansinntekter		4 279 112	4 923 450
Annen finanskostnad	7	7 065 385	6 552 593
Sum finanskostnader		7 065 385	6 552 593
Netto finans		-2 786 273	-1 629 143
Ordinært resultat før skattekostnad		6 904 272	18 879 270
Skattekostnad på ordinært resultat	20	474 140	3 462 723
Ordinært resultat etter skattekostnad		6 430 132	15 416 547
Årsresultat		6 430 132	15 416 547
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	21	6 430 132	15 416 547
Sum overføringer og disponeringer		6 430 132	15 416 547



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling	9	47 650 049	37 969 036
Utsatt skattefordel	20	12 171 771	12 645 911
Sum immaterielle eiendeler		59 821 820	50 614 947
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	10,15	556 296	345 013
Sum varige driftsmidler		556 296	345 013
Finansielle anleggsmidler			
Investering i datterselskap	8	1 292 938	1 292 938
Andre fordringer		13 950	13 950
Sum finansielle anleggsmidler		1 306 888	1 306 888
Sum anleggsmidler		61 685 004	52 266 848
Omløpsmidler			
Varer			
Varer	11,15	2 348 967	2 499 222
Sum varer		2 348 967	2 499 222
Fordringer			
Kundefordringer	12,13, 15	84 206 372	33 602 020
Andre fordringer	18	7 928 543	5 015 066
Sum fordringer		92 134 915	38 617 086
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	2	1 010 022	1 933 476
Sum bankinnskudd, kontanter og lignende		1 010 022	1 933 476
Sum omløpsmidler		95 493 904	43 049 784
SUM EIENDELER		157 178 908	95 316 632



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	21,22	471 395	466 795
Beholdning av egne aksjer	21	-4 860	-4 860
Overkurs	21	13 968 491	13 323 091
Ikke registrert kapitalforhøyelse	21	1 499 999	0
Sum innskutt egenkapital		15 935 025	13 785 026
Opptjent egenkapital			
Annen egenkapital	21	44 717 131	38 287 000
Sum opptjent egenkapital		44 717 131	38 287 000
Sum egenkapital		60 652 156	52 072 026
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	14,15	5 438 383	8 125 000
Øvrig langsiktig gjeld	14,15	5 900 000	1 900 000
Sum annen langsiktig gjeld		11 338 383	10 025 000
Sum langsiktig gjeld		11 338 383	10 025 000
Kortsiktig gjeld			
Konvertible lån			150 000
Gjeld til kredittinstitusjoner	14,15	121 737	2 810 882
Leverandørgjeld	18	5 254 985	5 632 583
Skyldige offentlige avgifter		1 946 999	1 661 055
Annen kortsiktig gjeld	12,16, 18	77 864 648	22 965 086
Sum kortsiktig gjeld		85 188 369	33 219 606
Sum gjeld		96 526 752	43 244 606



Balanse

Beløp i: NOK	Note	2021	2020
SUM EGENKAPITAL OG GJELD		157 178 908	95 316 632



Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	3,11	128 044 062	113 559 611
Sum inntekter		128 044 062	113 559 611
Kostnader			
Endring i beholdning av egentilvirkede anleggsmidler	8	-27 376 702	-24 971 893
Varekostnad		41 387 788	31 047 236
Lønnskostnad	4,5	38 243 219	35 270 396
Avskrivning på varige driftsmidler og immaterielle eiendeler	8,9	13 479 440	7 584 391
Annen driftskostnad	4,6	52 138 904	40 818 442
Sum kostnader		117 872 649	89 748 572
Driftsresultat		10 171 413	23 811 039
Finansinntekter og finanskostnader			
Annen finansinntekt	7	4 285 027	4 910 958
Sum finansinntekter		4 285 027	4 910 958
Annen finanskostnad	7	6 722 556	6 692 126
Sum finanskostnader		6 722 556	6 692 126
Netto finans		-2 437 529	-1 781 168
Ordinært resultat før skattekostnad		7 733 884	22 029 871
Skattekostnad på ordinært resultat	18	701 724	4 121 268
Ordinært resultat etter skattekostnad		7 032 160	17 908 603
Årsresultat		7 032 160	17 908 603
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	19	7 032 160	17 908 603
Sum overføringer og disponeringer		7 032 160	17 908 603



Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling	8	47 650 049	37 969 036
Utsatt skattefordel	18	12 454 590	12 924 416
Sum immaterielle eiendeler		60 104 639	50 893 452
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	9,14	2 182 409	1 908 435
Sum varige driftsmidler		2 182 409	1 908 435
Finansielle anleggsmidler			
Andre fordringer		13 950	13 950
Sum finansielle anleggsmidler		13 950	13 950
Sum anleggsmidler		62 300 998	52 815 837
Omløpsmidler			
Varer			
Varer	10,14	5 744 584	4 198 511
Sum varer		5 744 584	4 198 511
Fordringer			
Kundefordringer	11,12, 14	84 366 116	33 658 423
Andre fordringer		6 598 598	4 915 609
Sum fordringer		90 964 714	38 574 032
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	2	1 957 653	2 493 796
Sum bankinnskudd, kontanter og lignende		1 957 653	2 493 796
Sum omløpsmidler		98 666 951	45 266 339
SUM EIENDELER		160 967 949	98 082 176



Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	19,20	471 395	466 795
Beholdning av egne aksjer	19	-4 860	-4 860
Overkurs	19	13 968 491	13 323 091
Ikke registrert kapitalforhøyelse	19	1 499 999	
Sum innskutt egenkapital		15 935 025	13 785 026
Opptjent egenkapital			
Annen egenkapital	19	51 108 484	43 983 946
Sum opptjent egenkapital		51 108 484	43 983 946
Sum egenkapital		67 043 509	57 768 972
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	13,14	5 438 383	8 125 000
Øvrig langsiktig gjeld	13,14	5 900 000	1 900 000
Sum annen langsiktig gjeld		11 338 383	10 025 000
Sum langsiktig gjeld		11 338 383	10 025 000
Kortsiktig gjeld			
Konvertible lån			150 000
Gjeld til kredittinstitusjoner	13,14	121 737	2 810 882
Leverandørgjeld		5 968 225	6 366 767
Betalbar skatt	18	90 330	174 017
Skyldige offentlige avgifter		1 482 624	1 682 606
Annen kortsiktig gjeld	11,15	74 923 141	19 103 932
Sum kortsiktig gjeld		82 586 057	30 288 204
Sum gjeld		93 924 440	40 313 204
SUM EGENKAPITAL OG GJELD		160 967 949	98 082 176



Konsernets balanse

Beløp i: NOK	Note	2021	2020
---------------------	-------------	-------------	-------------



Skatteetaten

Vår dato
24.03.2020

Din/Deres dato
02.03.2020

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR362971382

Telefon
32212244

Org.nr
974761076

Vår referanse
2020/5227281

Postadresse
Postboks 9200 Grønland
0134 OSLO

VISSIM AS
Storgata 34
3182 HORTEN

Att. Kristoffer Rye Tørring

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Vissim AS, org.nr. 946 671 975

Vi viser til deres brev av 2. mars 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Vissim AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Vissim 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

Vissim AS er hovedsakelig eid av profesjonelle/institusjonelle investorer samt ledende ansatte. Selskapet er en del av et internasjonalt konsern med datterselskaper i bl.a. Slovakia, Russland og Storbritannia. Selskapet driver virksomhet knyttet til leveranse av offshoreovervåking innen olje og gass, havner, kystområder, samt offshore-vind. Selskapets kunder er i all hovedsak internasjonale aktører. Konsernets arbeidsspråk er engelsk.

Skattekontorets vurdering

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

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

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



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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet hovedsakelig er eid av profesjonelle/institusjonelle investorer. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører 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.



Vissim Group

Company registration no: 946 671 975



Annual Report 2021

Board of directors' report

Annual accounts

- Income statement**
- Balance sheet**
- Cash flow statement**
- Notes**

Auditors' report



Vissim Group

Company registration no: 946 671 975

Income statement

	Note	2021	2020
Revenue			
Sales revenue	3, 11	<u>128 044 062</u>	<u>113 559 611</u>
Operating expenses			
Capitalization of development expenses	8	-27 376 702	-24 971 893
Cost of goods		41 387 788	31 047 236
Payroll expenses	4, 5	38 243 219	35 270 396
Depreciation of tangible and intangible fixed assets	8, 9	13 479 440	7 584 391
Other operating expenses	4, 6	<u>52 138 904</u>	<u>40 818 442</u>
Total operating expenses		<u>117 872 649</u>	<u>89 748 572</u>
Operating result		<u>10 171 413</u>	<u>23 811 039</u>
Financial income and expenses			
Financial income	7	4 285 027	4 910 958
Financial expenses	7	<u>6 722 556</u>	<u>6 692 126</u>
Net financial items		<u>-2 437 529</u>	<u>-1 781 168</u>
Ordinary result before tax		<u>7 733 884</u>	<u>22 029 871</u>
Tax on ordinary result	18	<u>701 724</u>	<u>4 121 268</u>
Net profit or loss for the year		<u>7 032 160</u>	<u>17 908 603</u>
Allocated as follows			
Transferred to other equity	19	<u>7 032 160</u>	<u>17 908 603</u>



Vissim Group

Company registration no: 946 671 975

Balance sheet as of December 31

	Note	2021	2020
Fixed assets			
<i>Intangible assets</i>			
Capitalized development expenses	8	47 650 049	37 969 036
Deferred tax asset	18	12 454 590	12 924 416
Total intangible assets		<u>60 104 639</u>	<u>50 893 452</u>
<i>Tangible assets</i>			
Equipment, tools, office machinery etc.	9, 14	2 182 409	1 908 435
Total tangible assets		<u>2 182 409</u>	<u>1 908 435</u>
<i>Financial assets</i>			
Other receivables		13 950	13 950
Total financial assets		<u>13 950</u>	<u>13 950</u>
Total fixed assets		<u>62 300 998</u>	<u>52 815 837</u>
Current assets			
Inventories	10, 14	5 744 584	4 198 511
<i>Receivables</i>			
Trade receivables	11, 12, 14	84 366 116	33 658 423
Other receivables		6 598 598	4 915 609
Total accounts receivable		<u>90 964 714</u>	<u>38 574 032</u>
Cash	2	1 957 653	2 493 796
Total current assets		<u>98 666 951</u>	<u>45 266 339</u>
Total assets		<u>160 967 949</u>	<u>98 082 176</u>



Vissim Group


Company registration no: 946 671 975

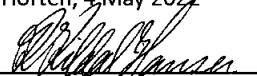
Balance sheet as of December 31

	Note	2021	2020
Equity			
<i>Paid-in capital</i>			
Share capital	19, 20	471 395	466 795
Own shares	19	-4 860	-4 860
Share premium reserve	19	13 968 491	13 323 091
Not registered capital increase	19	1 499 999	0
Total paid-in capital		<u>15 935 025</u>	<u>13 785 026</u>
<i>Retained earnings</i>			
Other equity	19	<u>51 108 484</u>	<u>43 983 946</u>
Total retained earnings		<u>51 108 484</u>	<u>43 983 946</u>
Total equity		<u>67 043 509</u>	<u>57 768 972</u>
Liabilities			
<i>Long-term liabilities</i>			
Liabilities to financial institutions	13, 14	5 438 383	8 125 000
Other long-term liabilities	13, 14	5 900 000	1 900 000
Total long-term liabilities		<u>11 338 383</u>	<u>10 025 000</u>
<i>Short-term liabilities</i>			
Convertible loans		0	150 000
Liabilities to financial institutions	13, 14	121 737	2 810 882
Trade creditors		5 968 225	6 366 767
Tax payable	18	90 330	174 017
Public duties payable		1 482 624	1 682 606
Other short-term liabilities	11, 15	<u>74 923 141</u>	<u>19 103 932</u>
Total short-term liabilities		<u>82 586 057</u>	<u>30 288 204</u>
Total liabilities		<u>93 924 440</u>	<u>40 313 204</u>
Total equity and liabilities		<u>160 967 949</u>	<u>98 082 176</u>

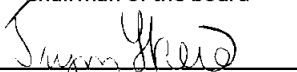
31 December 2021

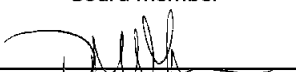
Horten, 4 May 2022

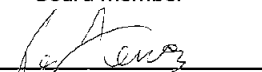

Johan Ditlef De Vibe
Chairman of the board


Knut Kildal Hansen
Board member


Håkon Tanem
Board member


Trym Skeie
Board member


Tore Morten Olsen
Board member


Per Arne Henæs
CEO



Vissim Group

Company registration no: 946 671 975

Cash flow statement

	Note	2021	2020
Cash flow from operating activities			
Ordinary result before tax		7 733 884	22 029 871
Taxes paid		-174 017	-163 106
Depreciation and amortization		13 479 440	7 584 391
Changes in inventories, trade receivables and trade payables		-52 652 308	-12 532 936
Changes in other current balance sheet items		55 148 192	3 444 075
Net cash flow from operating activities		<u>23 535 191</u>	<u>20 362 295</u>
Cash flow from investing activities			
Development of intangible assets		-27 376 702	-24 961 311
Investment grants on development projects		3 764 439	3 086 844
Purchase of tangible fixed assets		-1 083 308	-1 015 912
Net cash flow from investing activities		<u>-24 695 571</u>	<u>-22 890 379</u>
Cash flow from financing activities			
Proceeds from issuance of long-term loan		4 000 000	1 900 000
Installments on long-term loans		-2 686 617	-1 875 000
Net change in bank overdraft		-2 689 145	2 629 014
Share capital injections		1 999 999	880 000
Net cash flow from financing activities		<u>624 237</u>	<u>3 534 014</u>
Net change in cash		-536 143	1 005 930
Cash at 01.01		<u>2 493 796</u>	<u>1 487 866</u>
Cash at 31.12		<u>1 957 653</u>	<u>2 493 796</u>



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles.

Basis for consolidation

The consolidated financial statements comprise the parent company Vissim AS and the following subsidiaries: Vissim Communication & Logistics AS, Vissim UK Ltd., Vissim Sro. and Vissim Consulting Llc. Subsidiaries are companies in which the Group has a controlling interest. A controlling interest is normally achieved when the Group owns more than 50% of the shares in the company and is also in the position to exercise control over the company. The minority share of the equity is included in the consolidated equity. The consolidated accounts are prepared such that the group of companies are presented as a single economic entity. Intercompany transactions have been eliminated from the consolidated accounts. The consolidated accounts are prepared according to the same accounting principles for both parent and subsidiaries.

Acquired subsidiaries are reported in the annual accounts on the basis of the parent company's acquisition cost. The acquisition cost is identified by attributing fair values to the separable net assets acquired. Surplus value or values below the fair value of separable net assets are reported in the balance sheet as goodwill or negative goodwill. Goodwill is amortized linearly through the profit and loss account over its expected useful economic life. Subsidiaries are consolidated in the accounts when a controlling interest is achieved until it no longer applies.

Revenue recognition

The timing of income recognition on projects follows the percentage of completion method. The accrual basis is the projects progress ratio. The ratio is calculated based on project costs accrued compared to total estimated project costs. The total project value is based on agreed upon amounts with customers. Expected total projects costs are estimated based on a combination of empirical data, forecasts, margin analysis and an overall judgment. Indirect costs not associated with projects are not expensed in the projects. When it's likely that the total contract costs will exceed the total contract revenue, such expected loss is immediately expensed.

In projects where recognized income exceeds the invoiced amounts, the difference is presented as accrued unbilled revenues in accounts receivables. In the opposite case, where the invoiced amounts exceed recognized income, the difference is presented as advances received under other current liabilities.

Other sales revenues are recognized at the time of delivery.

Share-based payment

Share-based compensation for employees are recognized at fair value at grant date and presented as payroll cost with corresponding adjustment of equity (equity settled arrangements). The payroll costs are amortized based on agreed upon vesting time.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Fixed assets are valued by the cost of acquisition, in the case of non-incident reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for uncertain debts. Provisions for uncertain debts are calculated on the basis of individual assessments.

Inventories

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Write-downs are carried out for foreseeable obsolescence.

Foreign currency translation

Foreign currency transactions are translated using the year end exchange rates.

Financial derivatives and hedging

As long as a financial derivative is not defined as an effective hedging instrument for a hedged item, the derivative is valued at fair value with changes recognized in the income statement.

If the financial derivative is designated as an effective hedging instrument for a hedged item, changes in fair value of the hedging instrument is not recognized as profit (loss) until the underlying hedged item affects the income statement. Fair value of the hedging instrument is not presented in the balance sheet.

A designated hedging relationship between a hedging instrument and a hedged item exists if changes in fair value of the hedging instrument effectively offset changes in the hedged item. An effective cash flow hedge exists if there is a close relationship between due dates for the hedging instrument and the hedged item. In addition, the future hedged transaction has to be reasonably likely to occur.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Leases / rental agreements

Leases are classified as an operating lease or a finance lease based on an evaluation of the lease agreement. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Other leases are classified as operating leases. In case of finance lease an asset and a liability are recognized in the balance sheet at amounts equal to the fair value of the leased asset. The asset is classified as tangible equipment, while the liability is classified as other long-term debt.

In case of an operating lease, leasing costs are expensed in the income statement and classified as other operating costs.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Intangible assets

Development expenses are capitalized providing that a future economic benefit associated with a development project can be identified. Recognition in the balance sheet occur when it is probable that the project will result in technological and commercial success, the development expenses can be measured reliable and that the company has the ability and intention to complete the project. Otherwise, the costs are expensed as incurred. Capitalized development expenses are amortized linearly over the economic lifetime.

Acquisitions of other intangible assets are recognized at cost and are depreciated based on an evaluation of economic life.

Pensions

Cash payments to the define contribution plan are expensed as pension costs.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent based on existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized within a timeframe of 5 years.

Payable tax and deferred tax are recognized directly against equity to the extent that the tax items relate to equity transactions.

Cash flow statement

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

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date. Actual results can differ from these estimates.

Note 2 - Bank deposit

	2021
Restricted cash for employee taxation withheld	994 985



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 3 - Sales revenue

	2021	2020
<i>By business area</i>		
Offshore operational efficiency and surveillance	128 044 062	113 559 611
<i>Geographical distribution</i>		
Norway	59 324 461	49 927 900
Other Europe	20 480 031	35 155 994
Middle east/North Africa	3 006 573	6 743 547
Asia/other	45 232 997	21 732 170
Total	<u>128 044 062</u>	<u>113 559 611</u>

Note 4 - Payroll expenses, number of employees and loans to employees and auditor's fee

<i>Wage costs</i>	2021	2020
Salaries	33 844 201	31 142 652
Payroll tax	2 513 822	2 033 807
Pension costs	1 180 481	886 278
Other payments	704 715	1 207 659
Total payroll expenses	<u>38 243 219</u>	<u>35 270 396</u>

The total number of FTE's in the company during the year: 79

Management remuneration

	Salary	Pension expenses	Other remuneration
CEO	1 486 578	92 012	273 957

The employment contract with CEO includes an annual fixed salary of NOK 1,490,423 and a bonus agreement limited upwards to NOK 745,211. Paid bonus in 2021 amounts to NOK 239,928. There is also agreed on a severance scheme equal to 6-month salary.

The Chairman of the Board has received NOK 250,000 as Board remuneration. Board remuneration to other Board members amounts to NOK 600,000 in 2021.

Auditor fee has been divided as follows

	2021
Statutory audit fee	177 500
Other services	129 775

VAT is not included in the auditor fees.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 5 - Pensions

The Norwegian companies are obligated to have pension arrangements for their employees in accordance with Norwegian regulations. The company pension plan is in accordance with these regulations.

The Norwegian companies has established an ordinary define contribution pension plan for their employees. Payments to the pension plan expensed as payroll costs amounts to NOK 910,764 in 2021 and NOK 641608 in 2020.

Note 6 - Leasing contracts

	2021	2020
<i>Expensed rent on the following items:</i>		
Rental of office space and storage	3 265 269	2 546 067
Other rentals	419 448	568 587
Total	<u>3 684 717</u>	<u>3 114 654</u>

Total remaining rental payments on current operational leasing agreements amounts to NOK 4,994,886 as at 31 December 2021, and NOK 2,037,500 as of 31 December 2020.

Note 7 - Financial income and expenses

	2021	2020
Interest income	2 696	26 078
Foreign currency gains	4 282 331	4 884 880
Total finance income	<u>4 285 027</u>	<u>4 910 958</u>
Interest cost	662 162	676 445
Foreign currency losses	4 738 230	5 251 082
Other financial costs	1 322 164	764 599
Total finance expenses	<u>6 722 556</u>	<u>6 692 126</u>



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 8 - Intangible assets

	Capitalized development expenses
Acquisition cost at 01.01.	92 563 724
Purchased intangibles	27 376 702
Government grants	-4 925 000
Acquisition cost 31.12.	115 015 426
Acc. amortization at 31.12.	-60 269 217
Acc. write-downs 31.12.	-7 096 160
Net carrying amount at 31.12.	47 650 049
Amortization for the year	12 770 689
Useful economic life	3-5 years
Amortization plan	Linear

Vissim are currently developing a new software platform and supporting applications with significantly improved scope and functionality in maritime surveillance systems. Total research and development expenses amounts to NOK 27,376,702 in 2021. In 2020 total research and development expenses was NOK 24,971,893.

Parts of the company's product development program are eligible for government grants. In 2021, Vissim recognized NOK 4,925,000 in government grants. The share of the grant which is related to capitalized development costs is recognized as a reduction to the capitalized development expenses. In 2020, Vissim recognized NOK 4,654,440 in government grants.

In 2020 and 2021 the company has significant improved sales and earnings. The book value of the net tax asset is supported by estimates on future earnings in the company. These estimates are supported by a strong order book situation and a significant level of recurring revenue from long-term agreements. There is no indication of impairment on capitalized development expenses.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 9 - Tangible assets

	Equipment, tools office machinery
Acquisition cost 01.01.	5 472 369
Purchased tangibles	1 083 308
Acquisition cost 31.12.	<u>6 555 677</u>
Acc. depreciation 31.12.	<u>-4 373 268</u>
Net carrying amount at 31.12.	<u>2 182 409</u>
Depreciation for the year	708 751
Useful economic life	3-5 years
Depreciation	Linear

Note 10 - Inventories

	2021	2020
Purchased goods for use in projects	7 420 792	5 874 719
Provision for obsolete inventories	<u>-1 676 208</u>	<u>-1 676 208</u>
Total	<u>5 744 584</u>	<u>4 198 511</u>

Note 11 – Revenue recognition on ongoing projects

	2021	2020
Recognized income on ongoing contracts at 31.12	43 677 367	61 948 208
Accrued contract costs at 31.12	<u>29 815 176</u>	<u>24 359 135</u>
Estimated contract profit at 31.12	<u>13 862 192</u>	<u>37 589 073</u>
Recognized income, not invoiced incl. in accounts receivables 31.12	14 623 920	13 394 588
Advances received at 31.12	54 732 736	4 089 767
Remaining estimated resources on projects with expected net loss	334 310	468 000



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 12 - Trade receivables

	2021
Trade receivables	69 742 196
Recognized income, not invoiced (refer to note 11)	14 623 920
Total	<u>84 366 116</u>

Note 13 - Interest bearing debt

Vissim has an ordinary cash credit facility of NOK 10 million and a long-term loan with outstanding amount NOK 5.4 million. The long-term loan has final maturity in April 2025. The debt are repaid in equal quarterly installments of NOK 0.7 million.

Credit covenants has been set at 35 % (equity ratio), nor less than NOK 35 million. Additionally, bank overdraft at any time is not to exceed 80 % of outstanding receivables with age less than 90 days. In addition, the ratio of interest-bearing debt to EBITDA shall be less than 3. Vissim complies with bank covenants at 31 December 2021.

Vissim received a loan in 2020 from Innovasjon Norge of NOK 1.9 million in connection with its ongoing development activities. The debt is interest bearing after 1 year and final due in 5 years. The debt has a grace period the first 2 years and shall thereafter be repaid in equal quarterly installments. Outstanding debt as at 31 December 2021 amounts to NOK 1.9 million.

Vissim was granted an additional NOK 8.0 mill loan facility from Innovasjon Norge in 2020, whereas Vissim will receive tranches of loan based on progress of certain development activities. The first tranche of NOK 4 million was received in 2021. The debt has a final due date 6 years after all tranches has been paid. A grace period the first 2 years has been agreed and shall thereafter be repaid in equal quarterly installments. Outstanding debt as at 31 December 2021 amounts to NOK 4.0 million.

Note 14 - Securities and guarantees

	2021	2020
Creditor guarantees	9 092 949	11 834 886

<i>Book value of liabilities with pledged securities</i>	2021	2020
Bank overdraft	121 737	2 810 882
Long term debt to finance institution and others	11 338 383	10 025 000
Total book value of liabilities with pledged securities	<u>11 460 120</u>	<u>12 835 882</u>

<i>Book value of assets pledged as security:</i>	2021	2020
Fixed assets	556 296	345 013
Inventories	2 348 967	2 499 222
Revenue accrual	14 623 920	13 394 588
Accounts receivables	69 582 452	20 207 432
Total	<u>87 111 635</u>	<u>36 446 255</u>



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 15 - Other current liabilities

	2021	2020
Salaries, holiday pay etc.	5 127 220	5 086 259
Accrued costs	14 218 417	9 083 137
Advances received	54 732 736	4 089 767
Provisions for project guarantees	844 769	844 769
Total	<u>74 923 142</u>	<u>19 103 932</u>

Note 16 - Financial market risk

Vissim seeks to hedge its net contractual payments in foreign currency from customers and suppliers at time of entering into the contracts. As at 31.12.2021, Vissim has no ongoing exchange contracts.

Note 17 - Related parties

KH Consult AS delivers consultancy services to Vissim Communication & Logistics AS, a subsidiary of Vissim AS. Mr. Knut Kildal Hansen is a Board member of Vissim AS and shareholder in KH Consult AS. KH Consult AS has invoiced NOK 289,722 for services and expense refund in 2021. In 2020, the equivalent numbers were NOK 960,000 for services and NOK 117,280 for expense refund.

Vissim confirms that all related party purchases are based on ordinary market terms.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 18 - Income taxes

<i>Income tax expenses</i>	2021	2020
Change in deferred tax	469 826	3 878 746
Tax abroad	231 898	242 522
Total income tax expense	<u>701 724</u>	<u>4 121 268</u>
<i>Tax base estimation</i>	2021	2020
Ordinary result before tax	7 733 884	22 029 871
Permanent differences	909	489 214
Government grants exempt from tax	-4 750 000	-3 589 440
Change in temporary differences	27 623 742	-11 278 964
Losses carries forward	-29 759 314	-6 351 698
Tax base	<u>849 221</u>	<u>1 298 983</u>
Tax payable abroad	90 330	174 017
Government grants	-4 750 000	-3 589 440
Net Tax payable at 31.12.	<u>-4 659 670</u>	<u>-3 415 423</u>
<i>Temporary differences outlined</i>	2021	2020
Fixed assets	-10 087 620	-6 755 818
Ongoing projects at year end	13 862 191	37 589 073
Inventories	-1 676 208	-1 676 208
Receivables	-2 700 000	0
Provisions	-2 395 529	-4 530 471
Total	<u>-2 997 166</u>	<u>24 626 576</u>
Accumulated losses carried forward	<u>-53 614 609</u>	<u>-83 373 923</u>
Net temporary differences	<u>-56 611 775</u>	<u>-58 747 347</u>
Deferred tax (22 %)	-12 454 590	-12 924 416
<i>Effective tax rate</i>	2021	
Expected income taxes, statutory tax rate 22%	1 701 454	
Permanent differences (22%)	200	
Deductions from government grants	-1 045 000	
Other differences	45 070	
Income tax expense	<u>701 724</u>	

In 2020 and 2021 the company has significant improved sales and earnings. The book value of the net tax asset is supported by estimates on future earnings in the company. These estimates are supported by a strong order book situation and a significant level of recurring revenue from long-term agreements. There is no indication of impairment on the net tax asset.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Note 19 - Equity

	Share capital	Own shares	Share premium reserve	Not registered capital increase	Other equity	Total
Equity 01.01.	466 795	-4 860	13 323 091	0	43 983 946	57 768 972
Capital increase 30.03.2021	3 000	0	327 000	0	0	330 000
Capital increase 26.11.2021	1 600	0	318 400	0	0	320 000
Capital increase 11.01.2022	0	0	0	1 499 999	0	1 499 999
Profit for the year	0	0	0	0	7 032 160	7 032 160
Currency translation differences	0	0	0	0	92 378	92 378
Equity 31.12.	471 395	-4 860	13 968 491	1 499 999	51 108 484	67 043 509

Note 20 - Equity

Share capital:

	Number of shares	Face value	Book value
Common shares	20 006 994	0,01	200 070
Preferred A1-shares	1 139 566	0,01	11 396
Preferred A2-shares	25 992 940	0,01	259 929
Total	47 139 528		471 395

The share classes have different rights on distributions. Firstly, A2 shares have the right to receive per share an amount equal to their respective exercise value multiplied by 2. Then, A1 shares have the right to receive an amount equal to their respective exercise value multiplied by 2. Remaining distributions are shared equally between all shares.



Vissim Group

Company registration no: 946 671 975

Notes to the accounts for 2021

Shareholders at 31.12:

	Common	A1	A2	Total	Ownership share	Voting rights
Skeie Kappa Invest AS (Board Member)	3 954 958	315 182	11 295 957	15 566 097	33,02 %	33,02 %
Avant Venture Capital AS (Chairman)	1 463 596	170 936	9 130 468	10 765 000	22,84 %	22,84 %
Skeie Technology AS	1 616 662	115 499	1 270 145	3 002 306	6,37 %	6,37 %
Agder Energi Invest AS	1 469 693	104 999	1 154 677	2 729 369	5,79 %	5,79 %
Knut Kildal Hansen (Board Member)	2 423 125	0	26 437	2 449 562	5,20 %	5,20 %
Fjellheim Invest AS	1 385 088	85 468	195 500	1 666 056	3,53 %	3,53 %
Henæs Invest AS (CEO)	1 241 096	31 737	376 862	1 649 695	3,50 %	3,50 %
Espen Fjellheim Consulting AS	1 256 897	0	0	1 256 897	2,67 %	2,67 %
Maxim Semenov	948 148	30 768	34 787	1 013 703	2,15 %	2,15 %
Siri Fjellheim Invest AS	628 448	56 978	150 420	835 846	1,77 %	1,77 %
Trym Skeie (Board Member)	0	0	758 564	758 564	1,61 %	1,61 %
KH Consult AS (Board Member)	0	170 936	475 771	646 707	1,37 %	1,37 %
Siri Fjellheim	628 448	0	0	628 448	1,33 %	1,33 %
GE Consulting AS	32 047	8 546	408 313	448 906	0,95 %	0,95 %
J.B.Ugland Venture	293 939	21 000	230 935	545 874	1,16 %	1,16 %
Håvard Odden	287 880	0	230 266	518 146	1,10 %	1,10 %
Vissim AS (own shares)	484 983	1 000	0	485 983	1,03 %	1,03 %
Others, below 1 %	1 891 986	26 517	253 838	2 172 341	4,61 %	4,61 %
Total	20 006 994	1 139 566	25 992 968	47 139 528	100,00 %	100,00 %



Vissim AS

Company registration no: 946 671 975



Annual Report 2021

Board of directors' report

Annual accounts

- Income statement
- Balance sheet
- Cash flow statement
- Notes

Auditors' report



Vissim AS

Company registration no: 946 671 975

Income statement

	Note	2021	2020
Revenue			
Sales revenue	3, 12	<u>130 053 647</u>	<u>111 552 839</u>
Operating expenses			
Capitalization of development expenses	9	-27 376 702	-24 971 893
Cost of goods		43 817 373	37 230 483
Payroll expenses	4, 5	21 708 887	18 855 726
Depreciation of tangible and intangible fixed assets	9, 10	12 970 725	7 266 016
Other operating expenses	4, 6	<u>69 242 819</u>	<u>52 664 094</u>
Total operating expenses		<u>120 363 102</u>	<u>91 044 426</u>
Operating result		<u>9 690 545</u>	<u>20 508 413</u>
Financial income and expenses			
Financial income	7	4 279 112	4 923 450
Financial expenses	7	<u>7 065 385</u>	<u>6 552 593</u>
Net financial items		<u>-2 786 273</u>	<u>-1 629 143</u>
Ordinary result before tax		<u>6 904 272</u>	<u>18 879 270</u>
Tax on ordinary result	20	<u>474 140</u>	<u>3 462 723</u>
Net profit or loss for the year		<u>6 430 132</u>	<u>15 416 547</u>
Allocated as follows			
Transferred to other equity	21	<u>6 430 132</u>	<u>15 416 547</u>



Vissim AS

Company registration no: 946 671 975

Balance sheet as of December 31

	Note	2021	2020
Fixed assets			
<i>Intangible assets</i>			
Capitalized development expenses	9	47 650 049	37 969 036
Deferred tax asset	20	12 171 771	12 645 911
Total intangible assets		<u>59 821 820</u>	<u>50 614 947</u>
<i>Tangible assets</i>			
Equipment, tools, office machinery etc.	10, 15	556 296	345 013
Total tangible assets		<u>556 296</u>	<u>345 013</u>
<i>Financial assets</i>			
Investments in subsidiaries	8	1 292 938	1 292 938
Other receivables		13 950	13 950
Total financial assets		<u>1 306 888</u>	<u>1 306 888</u>
Total fixed assets		<u>61 685 004</u>	<u>52 266 848</u>
Current assets			
Inventories	11, 15	2 348 967	2 499 222
<i>Receivables</i>			
Trade receivables	12, 13, 15	84 206 372	33 602 020
Other receivables	18	7 928 543	5 015 066
Total accounts receivable		<u>92 134 915</u>	<u>38 617 086</u>
Cash	2	1 010 022	1 933 476
Total current assets		<u>95 493 904</u>	<u>43 049 784</u>
Total assets		<u>157 178 908</u>	<u>95 316 632</u>



Vissim AS

Company registration no: 946 671 975

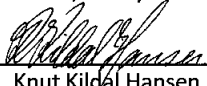
Balance sheet as of December 31

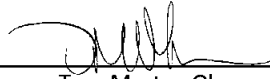
	Note	2021	2020
Equity			
<i>Paid-in capital</i>			
Share capital	21, 22	471 395	466 795
Own shares	21	-4 860	-4 860
Share premium reserve	21	13 968 491	13 323 091
Not-registered capital increase	21	1 499 999	0
Total paid-in capital		<u>15 935 025</u>	<u>13 785 026</u>
<i>Retained earnings</i>			
Other equity	21	<u>44 717 131</u>	<u>38 287 000</u>
Total retained earnings		<u>44 717 131</u>	<u>38 287 000</u>
Total equity		<u>60 652 156</u>	<u>52 072 026</u>
Liabilities			
<i>Long-term liabilities</i>			
Liabilities to financial institutions	14, 15	5 438 383	8 125 000
Other long-term liabilities	14, 15	5 900 000	1 900 000
Total long term liabilities		<u>11 338 383</u>	<u>10 025 000</u>
<i>Short-term liabilities</i>			
Convertible loans		0	150 000
Liabilities to financial institutions	14, 15	121 737	2 810 882
Trade creditors	18	5 254 985	5 632 583
Public duties payable		1 946 999	1 661 055
Other short-term liabilities	12, 16, 18	77 864 648	22 965 086
Total short-term liabilities		<u>85 188 369</u>	<u>33 219 606</u>
Total liabilities		<u>96 526 752</u>	<u>43 244 606</u>
Total equity and liabilities		<u>157 178 908</u>	<u>95 316 632</u>

31 December 2021
Horten, 4 May 2022


Johan Ditlef De Vibe
Chairman of the Board


Trym Skeie
Board member


Knut Kildal Hansen
Board member


Tore Morten Olsen
Board member


Håkon Tanem
Board member


Per Arne Henæs
CEO



Vissim AS

Org.num: 946 671 975

Cash flow statement

	Note	2021	2020
Cash flow from operating activities			
Ordinary result before tax		6 904 272	18 879 270
Loss on disposal of fixed assets		0	961
Depreciation and amortization		12 970 725	7 266 016
Changes in inventories, trade receivables and trade payables		-50 831 695	-13 783 265
Changes in other current balance sheet items		53 432 589	7 501 161
Net cash flow from operating activities		<u>22 475 891</u>	<u>19 864 143</u>
Cash flow from investing activities			
Development of intangible assets		-27 376 702	-24 961 311
Investment grants on development projects		3 764 439	3 086 844
Purchase of tangible fixed assets		-411 318	-179 675
Net cash flow from investing activities		<u>-24 023 581</u>	<u>-22 054 142</u>
Cash flow from financing activities			
Proceeds from issuance of long-term loan		4 000 000	1 900 000
Installments on long-term loans		-2 686 617	-1 875 000
Net change in bank overdraft		-2 689 145	2 629 014
Share capital injections		1 999 998	880 000
Net cash flow from financing activities		<u>624 236</u>	<u>3 534 014</u>
Net change in cash		-923 454	1 344 015
Cash at 01.01		<u>1 933 476</u>	<u>589 461</u>
Cash at 31.12		<u>1 010 022</u>	<u>1 933 476</u>



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles.

Subsidiaries and investment in associate

Investments in subsidiaries is valued at cost of acquiring shares in the subsidiary, providing that a write-down is not required. Write-down to fair value will be carried out if a reduction in value is caused by non-incident circumstances and deemed necessary by generally accepted accounting principles. Write-downs are reversed when a write-down initial cause is no longer present.

Dividends and other distributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.

Revenue recognition

The timing of income recognition on projects follows the percentage of completion method. The accrual basis is the projects progress ratio. The ratio is calculated based on project costs accrued compared to total estimated project costs. The total project value is based on agreed upon amounts with customers. Expected total projects costs are estimated based on a combination of empirical data, forecasts, margin analysis and an overall judgment. Indirect costs not associated with projects are not expensed in the projects. When it's likely that the total contract costs will exceed the total contract revenue, such expected loss is immediately expensed.

In projects where recognized income exceeds the invoiced amounts, the difference is presented as accrued unbilled revenues in accounts receivables. In the opposite case, where the invoiced amounts exceed recognized income, the difference is presented as advances received under other current liabilities.

Other sales revenues are recognized at the time of delivery.

Share-based payment

Share-based compensation for employees are recognized at fair value at grant date and presented as payroll cost with corresponding adjustment of equity (equity settled arrangements). The payroll costs are amortized based on agreed upon vesting period.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non-incident reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for uncertain debts. Provisions for uncertain debts are calculated on the basis of individual assessments.

Inventories

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Write-downs are carried out for foreseeable obsolescence.

Foreign currency translation

Foreign currency transactions are translated using the year end exchange rates.

Financial derivatives and hedging

As long as a financial derivative is not defined as an effective hedging instrument for a hedged item, the derivative is valued at fair value with changes recognized in the income statement.

If the financial derivative is designated as an effective hedging instrument for a hedged item, changes in fair value of the hedging instrument is not recognized as profit (loss) until the underlying hedged item affects the income statement. Fair value of the hedging instrument is not presented in the balance sheet.

A designated hedging relationship between a hedging instrument and a hedged item exists if changes in fair value of the hedging instrument effectively offset changes in the hedged item. An effective cash flow hedge exists if there is a close relationship between due dates for the hedging instrument and the hedged item. In addition, the future hedged transaction has to be reasonably likely to occur.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over its estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrades are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Leases / rental agreements

Leases are classified as an operating lease or a finance lease based on an evaluation of the lease agreement. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Other leases are classified as operating leases. In case of finance lease an asset and a liability are recognized in the balance sheet at amounts equal to the fair value of the leased asset. The asset is classified as tangible equipment, while the liability is classified as other long-term debt.

In case of an operating lease, leasing costs are expensed in the income statement and classified as other operating costs.



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Intangible assets

Development expenses are capitalized providing that a future economic benefit associated with a development project can be identified. Recognition in the balance sheet occur when it is probable that the project will result in technological and commercial success, development expenses can be measured reliable and that the company has the ability and intention to complete the project. Otherwise, the costs are expensed as incurred. Capitalized development expenses are amortized linearly over the economic lifetime.

Acquisitions of other intangible assets are recognized at cost and are depreciated based on an evaluation of economic life.

Pensions

Cash payments to the define contribution plan are expensed as pension costs.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at rate of 22 percent based on existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized within a timeframe of 5 years.

Payable tax and deferred tax are recognized directly against equity to the extent that the tax items relate to equity transactions.

Cash flow statement

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

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date. Actual results can differ from these estimates.

Note 2 - Bank deposit

	2021
Restricted cash for employee taxes withheld	994 985



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note 3 - Sales revenue

	2021	2020
<i>By business area</i>		
Offshore operational efficiency and surveillance	130 053 647	111 552 839
	<u>130 053 647</u>	<u>111 552 839</u>
<i>Geographical distribution</i>		
Norway	58 904 461	47 921 128
Other Europe	22 909 616	35 155 994
Middle east and North Africa	3 006 573	6 743 547
Asia	45 232 997	21 732 170
Total	<u>130 053 647</u>	<u>111 552 839</u>

Note 4 - Payroll expenses, number of employees and loans to employees and auditor's fee

<i>Wage costs</i>	2021	2020
Salaries	17 338 856	15 477 866
Payroll tax	2 783 539	2 035 272
Pension costs	910 764	641 608
Other payments	675 728	700 979
Total payroll expenses	<u>21 708 887</u>	<u>18 855 725</u>

The total number of FTE's in the company during the year: 20

Management remuneration

	Salary	Pension expenses	Other remuneration
CEO	1 486 578	92 012	273 957

The employment contract with CEO includes an annual fixed salary of NOK 1,490,423 and a bonus agreement limited upwards to NOK 745,211. Paid bonus in 2021 amounts to NOK 239,928. There is also agreed on a severance scheme equal to 6-month salary.

The Chairman of the Board has received NOK 250,000 as Board remuneration. Board remuneration to other Board members amounts to NOK 600,000 in 2021.

Auditor fee has been divided as follows

	2021
Audit fee	161 500
Technical assistance preparing annual accounts	35 000
Technical assistance preparing tax return	10 000
Other attestation services	18 810
Other services	56 465

VAT is not included in the auditor fees.



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note 5 - Pensions

The company is obligated to have pension arrangements for their employees in accordance with Norwegian regulations. The company pension plan is in accordance with these regulations.

The company has established an ordinary define contribution pension plan for their employees. Payments to the pension plan in 2021 amounts to NOK 910,764 and NOK 641,608 in 2020.

Note 6 - Leasing contracts

	2021	2020
<i>Expensed rent on the following items:</i>		
Rental of office space and storage	1 902 922	1 302 244
Other rentals	150 038	281 787
Total	<u>2 052 960</u>	<u>1 584 031</u>

Total remaining rental payments on current operational leasing agreements amounts to NOK 4,994,886 as at 31 December 2021, and NOK 2,037,500 as at 31 December 2020.

Note 7 - Financial income and expenses

	2021	2020
Interest income	2 696	25 995
Foreign currency gains	4 276 416	4 897 455
Total financial income	<u>4 279 112</u>	<u>4 923 450</u>
Interest cost	662 163	676 221
Foreign currency losses	5 268 343	5 158 763
Financial costs	1 134 880	716 648
Total financial expenses	<u>7 065 386</u>	<u>6 551 632</u>

Note 8 - Investment in subsidiaries and associate

Company	Acquisition date	Location	Share owners	Voting rights
Vissim UK Ltd.	01.01.2012	Diss, England	100 %	100 %
Vissim Communication & Logistics AS	15.06.2014	Horten, Norway	100 %	100 %
Vissim Consulting Ltd	20.02.2014	Saint. Petersburg, Russia	100 %	100 %
Vissim S.r.o	24.06.2015	Liptovsky Mikulas, Slovakia	100 %	100 %



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Statutory accounts figures

Company name	Net profit	Equity	Book value
Vissim UK Ltd.	152868	204750	0
Vissim Consulting Ltd	4 273	1 400 243	289 588
Vissim Communication & Logistics AS	-15 295	4 914 547	955 891
Vissim S.r.o	424 324	1 163 909	47 460
Total			<u>1 292 939</u>

Note 9 - Intangible assets

	Capitalized development expenses
Acquisition cost at 01.01.	92 563 724
Purchased intangibles	27 376 702
Government grants	-4 925 000
Acquisition cost 31.12.	<u>115 015 426</u>
Acc. depreciation at 31.12.	-60 269 217
Acc. write-downs 31.12.	-7 096 160
Net carrying amount at 31.12.	<u>47 650 049</u>
Amortization for the year	12 770 689
Useful economic life	3-5 years
Amortization plan	Linear

Vissim are currently developing a new software platform and supporting applications with significantly improved scope and functionality in maritime surveillance systems. Total research and development expenses amounts to NOK 27,376,702 in 2021. In 2020 total research and development expenses was NOK 24,971,893.

Parts of the company's product development program are eligible for government grants. In 2021, Vissim recognized NOK 4,925,000 in government grants. The share of the grant which is related to capitalized development costs is recognized as a reduction to the capitalized development expenses. In 2020, Vissim recognized NOK 4,654,440 in government grants.

In 2020 and 2021 the company has significant improved sales and earnings. The book value of the net tax asset is supported by estimates on future earnings in the company. These estimates are supported by a strong order book situation and a significant level of recurring revenue from long-term agreements. There is no indication of impairment on capitalized development expenses.



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note 10 - Tangible assets

	Equipment, tools, office machinery
Acquisition cost 01.01.	3 036 183
Purchased tangibles	411 318
Acquisition cost 31.12.	<u>3 447 501</u>
Acc. depreciation 31.12.	<u>-2 891 205</u>
Net carrying amount at 31.12.	<u>556 296</u>
Depreciation for the year	200 036
Useful economic life	3-5 years
Depreciation	Linear

Note 11 - Inventories

	2021	2020
Purchased goods for use in projects	4 025 175	4 175 430
Provision for obsolescence	<u>-1 676 208</u>	<u>-1 676 208</u>
Total	<u>2 348 967</u>	<u>2 499 222</u>

Note 12 - Revenue recognition on ongoing projects

	2021	2020
Recognized income on ongoing contracts at 31.12	43 677 367	61 948 208
Accrued contract costs at 31.12	<u>29 815 176</u>	<u>24 359 135</u>
Estimated contract profit at 31.12	<u>13 862 192</u>	<u>37 589 073</u>
Recognized income, not invoiced incl. in accounts receivables 31.12	14 623 920	13 394 588
Advances received at 31.12	54 732 736	4 089 767
Remaining estimated resources on projects with expected net loss	334 310	468 000

Note 13 - Trade receivables

	2021
Trade receivables	69 582 452
Recognized income, not invoiced (refer to note 12)	<u>14 623 920</u>
Total	<u>84 206 372</u>



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note 14 - Interest bearing debt

Vissim has an ordinary cash credit facility of NOK 10 million and a long-term loan with outstanding amount NOK 5.4 million. The long-term loan has final maturity in April 2025. The debt are repaid in equal quarterly installments of NOK 0.7 million.

Credit covenants has been set at 35 % (equity ratio), nor less than NOK 35 million. Additionally, bank overdraft at any time is not to exceed 80 % of outstanding receivables with age less than 90 days. In addition, the ratio of interest-bearing debt to EBITDA shall be less than 3. Vissim complies with bank covenants at 31 December 2021.

Vissim received a loan in 2020 from Innovasjon Norge of NOK 1.9 million in connection with its ongoing development activities. The debt is interest bearing after 1 year and final due in 5 years. The debt has a grace period the first 2 years and shall thereafter be repaid in equal quarterly installments. Outstanding debt as at 31 December 2021 amounts to NOK 1.9 million.

Vissim was granted an additional NOK 8.0 million loan facility from Innovasjon Norge in 2020, whereas Vissim will receive tranches of loan based on progress of certain development activities. The first tranche of NOK 4 million was received in 2021. The debt has a final due date 6 years after all tranches has been paid. A grace period the first 2 years has been agreed and shall thereafter be repaid in equal quarterly installments. Outstanding debt as at 31 December 2021 amounts to NOK 4.0 million.

Note 15 - Securities and guarantees

	2021	2020
Creditor guarantees	9 092 949	11 834 886
<i>Book value of liabilities with pledged securities</i>	2021	2020
Bank overdraft	121 737	2 810 882
Long term debt	11 338 383	10 025 000
Total book value of liabilities with pledged securities	<u>11 460 120</u>	<u>12 835 882</u>
<i>Book value of assets pledged as security:</i>	2021	2020
Fixed Assets	556 296	345 013
Inventories	2 348 967	2 499 222
Revenue accrual	14 623 920	13 394 588
Accounts receivables	69 582 452	20 207 432
Total	<u>87 111 635</u>	<u>36 446 255</u>

Note 16 - Other current liabilities

	2021	2020
Salaries, holiday pay etc.	4 069 109	4 016 314
Accrued costs	13 535 194	5 262 566
Advances received	54 732 736	7 583 362
Provisions for project guarantees	844 769	844 769
Debt to group companies	4 682 840	5 258 074
Total	<u>77 864 648</u>	<u>22 965 085</u>



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note 17 - Financial market risk

Vissim seeks to hedge its net contractual payments in foreign currency from customers and suppliers at time of entering into the contracts. As at 31.12.2021, Vissim had no ongoing exchange contracts.

Note 18 - Intercompany balance with group and associated companies

<i>Receivables</i>	2021	2020
Intercompany receivables	899 117	0
<i>Payables</i>	2021	2020
Intercompany payables	4 682 840	5 258 053

Note 19 - Related parties

KH Consult AS delivers consultancy services to Vissim Communication & Logistics AS, a subsidiary of Vissim AS. Mr. Knut Kildal Hansen is a Board member of Vissim AS and shareholder in KH Consult AS. KH Consult AS has invoiced NOK 289,722 for services and expense refund in 2021. In 2020, the equivalent numbers were NOK 960,000 for services and NOK 117,280 for expense refund.

Vissim confirms that all related party purchases are based on ordinary market terms.

Note 20 - Income taxes

<i>Income tax expenses</i>	2021	2020
Change in deferred tax	474 140	3 462 723
Total income tax expense	<u>474 140</u>	<u>3 462 723</u>
<i>Tax base estimation</i>	2021	2020
Ordinary result before tax	6 904 272	18 879 270
Permanent differences	909	448 859
Government grants exempt from tax	-4 750 000	-3 589 440
Loss on disposal of shares, book value	0	961
Change in temporary differences	27 543 557	-11 254 152
Losses carries forward	<u>-29 698 738</u>	<u>-4 485 498</u>
Tax base	<u>0</u>	<u>0</u>
Tax payable	0	0
Tax deduction government grants	<u>-4 750 000</u>	<u>-3 589 440</u>
Net tax payable at year end	<u>-4 750 000</u>	<u>-3 589 440</u>



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

<i>Temporary differences outlined</i>	2021	2020
Fixed assets	-10 038 610	-6 786 993
Ongoing projects at year end	13 862 191	37 589 073
Inventories	-1 676 208	-1 676 208
Receivables	-2 700 000	0
Provisions	-2 395 529	-4 530 471
Accumulated losses carried forward	-52 378 078	-82 076 816
Net temporary differences	<u>-55 326 234</u>	<u>-57 481 415</u>
Deferred tax (22%)	-12 171 771	-12 645 911
<i>Effective tax rate</i>	2021	
Expected income taxes, statutory tax rate 22%	1 518 940	
Permanent differences (22%)	-1 044 800	
Income tax expense	<u>474 140</u>	

In 2020 and 2021 the company has significant improved sales and earnings. The book value of the net tax asset is supported by estimates on future earnings in the company. These estimates are supported by a strong order book situation and a significant level of recurring revenue from long-term agreements. There is no indication of impairment on the net tax asset.

Note 21 - Equity

	Share capital	Own shares	Share premium reserve	Not registered capital increase	Other Equity	Total
Equity at 01.01.21	466 795	-4 860	13 323 091	0	38 286 999	52 072 025
Capital increase 30.03.2021	3 000	0	327 000	0	0	330 000
Capital increase 26.11.2021	1 600	0	318 400	0	0	320 000
Capital increase 11.01.2022	0	0	0	1 499 999	0	1 499 999
Net profit for the year	0	0	0	0	6 430 132	6 430 132
Equity at 31.12.21	<u>471 395</u>	<u>-4 860</u>	<u>13 968 491</u>	<u>1 499 999</u>	<u>44 717 131</u>	<u>60 652 156</u>



Vissim AS

Company registration no.: 946 671 975

Notes to the accounts for 2021

Note 22 – Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Common shares	20 006 994	0,01	200 070
Preferred A1 shares	1 139 566	0,01	11 396
Preferred A2 shares	25 992 940	0,01	259 929
Total	47 139 528		471 395

The share classes have different rights on distributions. Firstly, A2 shares have the right to receive per share an amount equal to their respective exercise value multiplied by 2. Then, A1 shares have the right to receive an amount equal to their respective exercise value multiplied by 2. Remaining distributions are shared equally between all shares.

Shareholders per 31.12:

	Common	A1	A2	Total	Ownership share	Voting rights
Skeie Kappa Invest AS (Board Member)	3 954 958	315 182	11 295 957	15 566 097	33,02 %	33,02 %
Avant Venture Capital AS (Chairman)	1 463 596	170 936	9 130 468	10 765 000	22,84 %	22,84 %
Skeie Technology AS	1 616 662	115 499	1 270 145	3 002 306	6,37 %	6,37 %
Agder Energi Invest AS	1 469 693	104 999	1 154 677	2 729 369	5,79 %	5,79 %
Knut Kildal Hansen (Board Member)	2 423 125	0	26 437	2 449 562	5,20 %	5,20 %
Fjellheim Invest AS	1 385 088	85 468	195 500	1 666 056	3,53 %	3,53 %
Henæs Invest AS (CEO)	1 241 096	31 737	376 862	1 649 695	3,50 %	3,50 %
Espen Fjellheim Consulting AS	1 256 897	0	0	1 256 897	2,67 %	2,67 %
Maxim Semenov	948 148	30 768	34 787	1 013 703	2,15 %	2,15 %
Siri Fjellheim Invest AS	628 448	56 978	150 420	835 846	1,77 %	1,77 %
Trym Skeie (Board Member)	0	0	758 564	758 564	1,61 %	1,61 %
KH Consult AS (Board Member)	0	170 936	475 771	646 707	1,37 %	1,37 %
Siri Fjellheim	628 448	0	0	628 448	1,33 %	1,33 %
GE Consulting AS	32 047	8 546	408 313	448 906	0,95 %	0,95 %
J.B.Ugland Venture	293 939	21 000	230 935	545 874	1,16 %	1,16 %
Håvard Odden	287 880	0	230 266	518 146	1,10 %	1,10 %
Vissim AS (own shares)	484 983	1 000	0	485 983	1,03 %	1,03 %
Others, below 1 %	1 891 986	26 517	253 866	2 172 369	4,61 %	4,61 %
Total	20 006 994	1 139 566	25 992 968	47 139 528	100,00 %	100,00 %



Vissim AS
Board of Director's annual report
2021

Nature of the business

The ocean and sea space are Vissim's domains. Everything Vissim does, whether it is helping authorities improve situational awareness in coastal areas or energy operators with asset protection and managing personnel logistics, is about water.

Vissim is a software developer and turnkey sensor and infrastructure provider for advanced marine optimisation systems from 1988. It provides world-leading solutions within Offshore Renewables, Maritime Awareness and Offshore Energy markets. For more than thirty years, Vissim has helped customers worldwide to plan, monitor and optimize their offshore wind, offshore energy, port and coastal operations and assets. Through the use of Vissim solutions, our customers achieve more cost-effective operations, significantly less CO2 emissions and better monitoring of the environmental impact.

Vissim delivers turnkey solutions and services for real-time data consolidation, operational management and presentation for decision support. Vissim's applied science aggregates data from a large number of new or existing sensors, such as radar, AIS, VHF, MET, air quality and CCTV, along with external databases. Information is validated and processed to produce a complete maritime picture via applications, an advanced operational display and communication tools, adapted to local circumstances.

Vissim's headquarter is located in Horten, Norway.

Sustainable Development

Vissim supports the Paris Agreement and the UN Sustainable Development Goals (SDGs). We share the view that business has a key role to play in the implementation of these goals. Vissim is contributing to reduce the CO2 Emissions through efficient Data collection and Operational planning. Vissim enables efficiency improvements for our customers in Offshore Wind Farms, Ports and advanced Maritime Domain Systems, which allows our customers to reduce their environment impact. Our main contribution to society is enabling reduced environmental footprint for marine businesses, and thereby improved conditions for life on and below water.

Vissim AS, N-3182 Horten, Norge (Org nr.946 671 975)



Profit, cash flow, investments, financing and liquidity

Vissim Group ("Group") revenue increased from MNOK 113.6 in 2020 to MNOK 128.0 in 2021. Vissim AS ("Company") turnover increased from MNOK 111.6 in 2020 to MNOK 130.1 in 2021. The profit before tax was MNOK 7.7 for the Group and MNOK 6.9 for the Company.

The Board is pleased with the positive development for the Company through 2021. During this period, the Company has secured several significant and long-term strategic contracts. The share of subscription revenue has increased significantly during the period. This trend is expected to continue in 2022.

The Group's and Company's cash flow from operations in 2021 show a positive result of MNOK 23.5 for the Group and MNOK 22.5 for the Company.

The Company further satisfies all the "covenant requirements" of its main bank (DNB).

Deferred tax assets for the Company amount to MNOK 12.2 as of 31.12.2021. This amount is capitalized.

Otherwise, no events or incidents of significant impact on the Company's position and earnings have occurred since the end of the financial year.

The total capital for the Group at year end was MNOK 161.0 compared to MNOK 98.1 in the previous year. Equity was positive at NOK 67.0 as of 31.12.2021. For the Company, the total capital at year-end was MNOK 157.2 compared to MNOK 95.3 in the previous year. Equity was positive with MNOK 60.7 as of 31.12.2021.

The Board confirms that the annual accounts for 2021 provides a true and fair view of the company's and the group's assets, liabilities, financial position, and results.

Financial risk

Market risk

The Company's operations have historically been largely focused on Offshore Energy and this sector will continue to be significant. Revenue flows from other markets such as Offshore wind farms and Maritime Awareness systems have increased and are expected to continue increasing in the coming years. Solutions within digitalization and the green economy are expected to become an increasingly important part of the Company's turnover over for the next few years. Especially environmental and optimized solutions for lower CO2 emissions constitute part of this initiative.

Currency Risk

The Company seeks to hedge its net contractual payments in foreign currency from customers and suppliers when entering into new contracts.

Vissim AS, N-3182 Horten, Norge (Org nr.946 671 975)



Credit Risk

The risk that counterparties may not have the financial ability to fulfil their obligations is considered limited. Losses on claims have historically been low. The company's customers are largely international energy companies with good ratings or public institutions domestic and abroad. The company seeks credit protection through various instruments.

Liquidity risk

The Company's need for liquidity in 2021 has been met through bank overdraft facilities and cash flow from operations. Liquidity forecast shows that budgeted sales for 2022 will generate a positive cash flow from operations in 2022.

As of 31.12.2021, the Company had a net negative cash balance of MNOK 0.1 on the Company's MNOK 10.0 revolving credit line in DNB.

The revenue growth is not expected to pose major liquidity challenges based on a larger proportion of growth in sales of already developed products.

Going Concern

At the end of the year, the Company had equity of MNOK 60.7.

The assumption for going concern is used in preparation of the annual accounts. The order backlog secures a significant portion of estimated sales for 2022. The liquidity forecast shows that estimated sales for 2022 will generate a positive cash flow. The company had a positive development in operations for 2021, have an existing order backlog and a probable expectation of new subscriptions and sales through existing framework agreements and reference projects. The Board confirms that the annual accounts for 2021 have been prepared under the going concern assumption.

Pandemic risk

The situation related to Covid-19 has clearly shown that there are business exposures to events that are totally outside of the normal control or planning for any management or Board of Directors. However, the Board of Directors is of the opinion that the Group is well positioned to avoid serious harm due to increased vaccination rates and reduced Covid-19 restrictions worldwide.

During 2021, the spread of Covid-19 continued to cause global disruption, with negative consequences both for human health, business and the global economy in general. The effects of Covid-19 on the business in 2022 are difficult to predict, however, the current, or future, pandemics may impact the Company in the following manner:

- Personnel may not be able to perform their work due to illness, quarantines, travel restrictions and social distancing
- Manufacturing sites, service bases or office buildings may be shut down
- Supplies from suppliers and deliveries to clients may be delayed
- Available future market demand could decrease as clients reduce CAPEX expenditure budgets

Vissim AS, N-3182 Horten, Norge (Org nr.946 671 975)



Geopolitical risk

The invasion of Ukraine by Russian forces has led to increased geopolitical risk which have significantly impacted global markets. The Company has a subsidiary in Russia with employees supporting global projects. The Company has decided to close the office in Russia and has established a new Software development center in Kosice Slovakia.

The Company has also a Software-partner in Lviv, Ukraine. The war has so far limited effect on the operation, and the Board is closely monitoring the situation.

In general, the business outlook for the Company is positive, but it is difficult to predict short, medium and long-term effects from a potential escalation of the war.

Future development

In recent years, the Company has invested large amounts in new development and improvement of products. The technology developed have relevance for Operational Efficiency and Environmental Monitoring within Offshore Renewables, Maritime Awareness and Offshore Energy Systems. The Board expects growth to a large extent to be within these markets, while reducing the effect of fluctuating oil prices in the Company's revenues. The Company is working on several new sales agreements and expects significant sales growth and positive earnings for the years to come.

Work environment

Sickness absence in the company amounted to approx. 1.5% of total working hours. The Board is satisfied with such a low absence rate.

There have been no serious work accidents or accidents reported during the year that have resulted in material injury or material damage.

The working environment is regarded as good, and no special measures or activities have been necessary. We invest in the future of our employees to further strengthen our focus on Environmental, Social, and Governance (ESG).

Activities and statement regarding equality and discrimination

Of the Group's 79 Full Time Equivalent(s) (FTE) in 2022, 16 are women. The proportion of women in the Group has increased with 4% during the year. The Company has 20 FTEs in 2021, of which 4 are women. The proportion of women in the Company have increased from 18% to 24% during the year. Key statistics for the Company during 2021 are:

- Of 7 employees with personnel responsibilities are all men
- The average number of weeks of parental leave was 17 weeks among men and non among women.
- The Company have no part-time employees

Vissim AS, N-3182 Horten, Norge (Org nr.946 671 975)



The average annual salary for men is higher than the average annual salary for women. This is due to different types of roles and functions. The company practices equal pay for equal work, independent gender, disability, sexual orientation, gender identity and gender expression, religion and outlook on life, ethnicity, care tasks, pregnancy, parental leave and adoption.

The Company conducts ongoing assessments of gender equality and discrimination at management level in the Company:

- Assess whether there is a risk of discrimination or other obstacles to gender equality in the company.
- Analyse the causes of identified risks.
- Implement measures that are suitable for counteracting discrimination and contributing to increased equality and diversity in the company
- Evaluate the result of the work according to the above points

The company have the goal of being a workplace where there is equality between women and men. In its policy, the Company has incorporated gender equality issues aimed at ensuring that there is no discrimination based on gender in matters such as pay, advancement, and recruitment. The company will not tolerate any form of harassment or discrimination, including on the grounds of race, colour, sex, religion, political opinion, national or social origin.

The obligation to act is taken care of by the work of the company's management team, which meets several times a year. The management team determines the framework for the company's personnel policy. At least annually, the activity and reporting obligation is placed as a separate issue on the boards agenda, and the status of the work is reviewed and a review of possible risks, obstacles, causes and measures. Plans are also being made for further work and measures.

Environmental reporting

The Company's business' nature has a minimum harm to the external environment and have ongoing programs to reduce the impact. The company is also certified under ISO14001.

Research and development activities

The Company has a continuous focus on research and development. A total of MNOK 27.4 was accrued in development expenses in 2021. The Company has also received a total MNOK 4.9 in support through Innovation Norway and Skattefunn. The technology developed have relevance for Operational Efficiency and Environmental Monitoring within Offshore Wind, Maritime Awareness and Offshore Energy Systems. In addition, Innovation Norway provided a loan facility up to MNOK 9.9 for future technology development.

Vissim AS, N-3182 Horten, Norge (Org nr.946 671 975)



Annual result and allocations

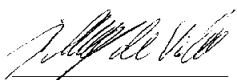
The Board proposes the following allocation of the annual result in Vissim AS:

Transfers premium	0
Transfers to other equity	6 430 132
Sum available	6 430 132

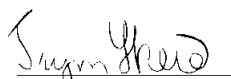
For Vissim Group:

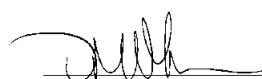
Transfers premium	0
Transfers to other equity	7 032 160
Sum available	7 032 160

Horten, 4. May 2022

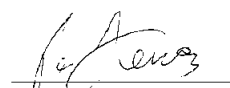

Johan Ditlef de Vibe
Chairman of the Board


Knut Kildal/Hansen
Board Member


Trym Skeie
Board Member


Tore-Morten Olsen
Board Member


Håkon Tanem
Board Member


Per Arne Henæs
CEO

Vissim AS, N-3182 Horten, Norge (Org nr.946 671 975)



Statsautoriserte revisorer
Ernst & Young AS

Åslyveien 21, 3170 Sem
Postboks 2427, 3104 Tønsberg

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Vissim AS

Opinion

We have audited the financial statements of Vissim AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the balance sheet as at 31 December 2021, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with the the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. 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 board of directors' report contains the information required by legal requirements and 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation 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.



Building a better
working world

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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



Building a better
working world

Tønsberg, 13 mai 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Morten Mobråthen
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: Y1JFF-00IQE-GDWPH-U5E51-CW7SS-J4T01



PENNEO

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

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

Morten Mobraåthen

Statsautorisert revisor

På vegne av: EY

Serienummer: 9578-5994-4-470218

IP: 213.52.xxx.xxx

2022-05-13 15:40:51 UTC



Penneo Dokumentnøkkel: Y1JFF-0C1QIE-GDWPH-U5E51-CW7SS-J4T01

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er integrert i denne PDF, for fremtidig validering (hvis nødvendig).

Hvordan bekrefter at dette dokumentet er originalen?

Dokumentet er beskyttet av ett Adobe CDS sertifikat. Når du åpner dokumentet i

Adobe Reader, skal du kunne se at dokumentet er sertifisert av **Penneo e-signature service <penneo@penneo.com>**. Dette garanterer at innholdet i dokumentet ikke har blitt endret.

Det er lett å kontrollere de kryptografiske beviser som er lokalisert inne i dokumentet, med Penneo validator - <https://penneo.com/validate>