

## **Directors` Report 2020**

### **Sonans Holding AS**

#### **NATURE OF THE BUSINESS**

The Sonans Group is a leading player in the education market in Norway. The Group consists of the parent company Sonans Holding AS ("The Company") and its subsidiaries Sonans Holdco AS, Sonans Midco AS, Sonans Bidco AS, Sonans Gruppen AS, Sonans Privatgymnas AS, Bjørknes Høyskole AS, Bjørknes Education AS, and Norwegian School of Technology AS. The operating companies in the Group are Sonans Privatgymnas AS, Bjørknes Høyskole AS, Bjørknes Education AS, and Sonans Gruppen AS.

The largest entity in the Group is Sonans Privatgymnas AS, which runs 14 private candidate schools across Norway, in addition to an Online offer. The schools are located in Oslo, Trondheim, Bergen, Stavanger, Kristiansand, Lillestrøm, Sandvika, Fredrikstad, Hamar, Tønsberg, Drammen, Porsgrunn, Tromsø and Bodø. Sonans Privatgymnas AS established one new school in 2020 in Tønsberg and discontinued operations of one school in Haugesund. The Group continues to develop its high quality education services for new students in new regions.

Bjørknes Høyskole AS is a community College based in Oslo, which also offers online studies in the fields of psychology, health and social sciences. Bjørknes Education AS is a company facilitating transfer of students to partner universities abroad.

Sonans Gruppen AS contains central overhead and delivers internal services to the operating entities.

Norwegian School of Technololgy AS was established on 5 November 2020 and is aiming to offer vocational IT education. The campus will be in Oslo.

In 2020 the Group made several change to its legal structure. Sonans Gruppen AS divested Sonans Karriere AS, a company providing counselling and courses for unemployed individuals through contracts with regional NAV (the Norwegian Labour and Welfare Administration) offices on 3 June 2020. In addition, two entities which were established as part of the acquisition of the Bjørknes companies in 2019, Athomstart Invest 388 AS and Athomstart Invest 389 AS were merged into Bjørknes Høyskole AS and Bjørknes Education AS. The dormant company Frisvold Privatgymnas AS was liquidated in 2020.

In 2020 there was significant growth in demand of the services from Sonans Privatgymnas AS and Bjørknes Høyskole AS, both of which experienced growth in both campus students and online students. The demand for online was especially high at both businesses.

2020 was an extraordinary year in the light of Covid-19. Sonans Privatgymnas AS and Bjørknes Høyskole AS were able to continue offering services to their students, in a manner consistent with government regulation and advice, and at the same time upholding high quality. Bjørknes Education AS, which sends students abroad, experienced a reduction of revenues of NOK 0,8 million in 2020 compared to the previous year as a result of reduced volumes in light of Covid-19.

The Company has business address in Nydalen, Oslo.

#### **RESULT, INVESTMENT, FINANCING AND LIQUIDITY**

Total revenue for the Group in 2020 was NOK 562,4 million. The Group companies Sonans Privatgymnas AS and Bjørknes Høyskole AS experienced solid top line growth in 2020. Sonans Privatgymnas AS grew from NOK 345,8 million in 2019 to NOK 376,4 million in 2020 and Bjørknes Høyskole AS grew from NOK 113,6 million in 2019 to NOK 135,7 million in 2020. However the consolidated top line was impacted by the disposal of Sonans Karriere AS on 3 June 2020.

The Group EBITDA in 2020 was NOK 124,2 million, and is impacted by a realised loss for sale of the shares of Sonans Karriere AS. The EBITDA for the Group in 2020 had a positive development from the 2019 level of NOK 113,0 million.

The operating profit for the Group was NOK 59,7 million. Operating profit for the Company was NOK -1,1 million.

Profit before tax was NOK 17,9 million in 2020 for the Group and NOK -1,1 million for the Company.

Total investment in fixed assets for the Group in 2020 was NOK 6,5 million. The Group also invested in intangible fixed assets totaling NOK 6,8 million in 2020, and this amount includes capitalised development costs for new programmes at Bjørknes Høyskole AS.

Total cash and bank deposits for the Company were NOK zero as of 31.12.20 and NOK 17,9 million for the Group. Year-end typically represents a seasonal low-point in terms of the cash balance for the Company, and as the spring semester commences in the start of the year the companies receive tuition fees from students. The Group also has a revolving credit facility which covers working capital requirements, and the Company's liquidity situation is considered to be good.

Cash flow from operations for the Group was positive by NOK 118,2 million in 2020.

Short term liabilities as of 31.12.2020 amounted to 18,8% of all debt in the Group compared with 18,9% as of 31.12.2019. The financial position in the Group was satisfactory, including the Group's ability to pay short term debt at due date.

Total assets at the end of the year for the Group were NOK 961,0 million compared to NOK 1 086,6 million in 2019. The equity ratio as of 31.12.2020 was 23,4% compared to 21,1% in the previous year.

## **GOING CONCERN**

The annual financial statements are prepared under the assumption of going concern. The assumption is based on forecasts for 2021 and the Company's long term strategic forecast for the future years. The Company is in a healthy economic and financial position.

## **FUTURE DEVELOPMENTS**

The Board of Directors expects the market development in the Group's core business at Sonans Privatgymnas AS to be positive in 2021. The Group will start a new centre in a new location in 2021 making the offer available for new groups of students. A high proportion of Norway's private candidates still chooses to prepare for their exams without any assistance from professional players like Sonans, providing good opportunity for further growth. In the light of Covid-19 there has been an accelerated mix shift towards online from physical schools, and we expect this trend to continue.

For Bjørknes Høyskole AS the Board of Directors expect to offer several additional bachelor programmes at the school and a new master programme and to see a growth in student numbers. All new programmes require approval from NOKUT, and we expect several of the programmes to be approved in time for student intake in the fall of 2021.

For Norwegian School of Technology AS the board expects to launch the school with one new programme during the autumn of 2021 subject to NOKUT approval.

## **FINANCIAL RISK**

The Company has no bank loan, but the Group has bank loans of NOK 595,8 million at 31.12.20. The loans are subject to financial covenants, which the Group has had solid headroom on in 2020. The Group has serviced its debts in accordance to agreements with its bank in 2020.

Financial risk is considered to be low. The Group has entered into an interest swap to reduce exposure to fluctuations in interest rates.

### **Market risk:**

Sonans Privatgymnas AS grew in 2020, and we expect the top line to grow in 2021. Sonans launched one new school in 2020, in Tønsberg, and plans to open one new school in Ski in 2021. The Company will continue to develop its products and is expected to continued growth in the online market.

Bjørknes Høyskole AS experienced growth in 2020 and has defined a new strategy to continue the positive development in 2021 and beyond. The school intends to launch additional bachelor programmes and a master programme, and expect to see positive demand for those, both for campus students and online students.

Bjørknes Education AS is expected to have a positive development in top line, but is exposed to Covid-19 as the business requires students to travel abroad.

Norwegian School of Technology expects to address a market with buoyant demand and expects to see a positive demand from prospective students, subject to NOKUT accreditation.

Covid-19 represents both a risk and an opportunity for the Group. In general, the adverse effect of Covid-19 with increased unemployment, more difficulty for younger people to find employment, is expected to have a positive impact on demand for education, including at Bjørknes Høyskole AS and Bjørknes Education AS. However, periods with severe lock down and other restrictions may also change prospective students behaviour and they may cancel or defer the choice to get education.

Market risk is considered to be low.

### **Credit risk:**

The risk that counterparties do not have the economic ability to fulfill their obligation is deemed to be moderate. Credit risk pr 31.12.20 amounted to zero for the Company and 39,6 million for the Group (excluding intercompany receivables). The receivables consists mainly of prepaid expenses and accounts receivable.

### **Liquidity risk:**

The Group's equity ratio as of 31.12.2020 was 23,4% compared to 21,1% in the previous year. The increase is mainly related change in long term loans. The Company and Group assess their liquidity as good and no measures are determined to change the liquidity risk.

## **WORK ENVIRONMENT AND PERSONNEL**

### **Personnel:**

In 2020 the Group had a total of 427 employees that performed 284 full-time equivalents. Same figures for 2019 are 673 and 418 respectively, and the numbers have decreased following the disposal of Sonans Karriere AS. The working environment is considered good, and improvement measures are

ongoing. Such measures concern in particular facilitation of work places, with a continuous program of assessment for improvement. The Company had no employees in 2020.

Health:

The Group recorded a total sick leave of 3,1% in 2020 compared with 2,6% in 2019. The short-term sick leave was 1,1% (4-16 days) while long-term sick leave (more than 16 days) ended at 2.0%.

There were no reported accidents during the financial year 2020.

## **EQUALITY**

The Group has a goal to be a work place where full equality between women and men exists. The personnel handbook applicable for the Group clearly prohibits discrimination in all aspects of the working conditions. The management work to ensure that there are no differences in the treatment of employees because of gender in relation to salary, promotions and recruitment.

The Group's ethical guidelines clearly state that all employees should contribute to a work environment free of discrimination based on religion, colour, gender, age, national or ethnic origin, or disabilities.

Of the Group's 427 employees 246 are women. The Group's top management consists of five men and two women, and the women's share in the board was 0%.

The Group has examined the salary for all employees. Average salary differences for our most central job categories show that for all employees and categories included, average pay for men is higher than average pay for women. In categories as principals and employees in the administration, women have higher average pay than men. In other categories men have higher average pay than women.

According to the new § 26 in the Equality and Anti-Discrimination Act the Group will implement the following measures in 2021:

1. Perform risk analysis in regards of discrimination or other barriers to equality, including reviews of pay conditions by reference to gender and the use of involuntary part-time work. This includes to identify causes of eventual identified risks.
2. Discuss and implement measures suited to counteract discrimination and promote greater equality

These efforts will be conducted in cooperation with employee representatives in all companies in the Group.

## **ENVIRONMENTAL REPORTING**

The Company's activity does not have any negative environmental impact.

## **ANNUAL RESULT AND ALLOCATION OF THE COMPANY**

The Board recommends/proposes the following allocation of net profit for 2020 of NOK -846 647

Transferred to other equity:	<u>-846 647</u>
Total allocation:	-846 647

Oslo, 3<sup>rd</sup> of February 2021

DocuSigned by:  
*Helge Midttun*  
He 3F0DF7A1D6C849E...  
Chairman of the board

DocuSigned by:  
*Patrick Johnson*  
Ulf 380166DCF429425...  
Member of the board

DocuSigned by:  
*Adam Frøhm*  
8EAD80A3C1F94C5...  
Adam Frøhm  
Member of the board

DocuSigned by:  
*Erik Brandt*  
E 21D55EBD4BE446E...  
Member of the board

## Income statement

Sonans Holding AS

Parent			Group		
2020	2019		Note	2020	2019
-	-	Revenue	10	561 001 443	564 484 102
-	-	Government grants	3, 10	1 056 848	304 122
-	-	Other operating income	10	353 827	102 650
<u>-</u>	<u>-</u>	<b>Total income</b>		<b>562 412 118</b>	<b>564 890 874</b>
-	-	Raw materials and consumables used		-	4 093 230
-	-	Payroll expenses	8, 11	259 500 604	288 789 620
-	-	Depreciation and amortisation expenses	1	64 474 085	66 416 784
-	-	Impairment charges Sonans Karriere AS		-	56 548 086
-	-	Loss from sale of Sonans Karriere AS	2	19 599 319	-
1 072 210	132 313	Other operating expenses	11	159 146 708	159 051 053
<u>1 072 210</u>	<u>132 313</u>	<b>Total operating expenses</b>		<b>502 720 716</b>	<b>574 898 773</b>
<u>-1 072 210</u>	<u>-132 313</u>	<b>Operating profit</b>		<b>59 691 402</b>	<b>-10 007 899</b>
15	191	Interest income		1 022 005	692 161
-	-	Other finance income		177 234	117 838
-	263	Interest expense		40 410 583	36 018 611
147	18	Other financial expense		2 599 140	5 466 699
<u>-1 072 342</u>	<u>-132 403</u>	<b>Profit before income tax</b>		<b>17 880 918</b>	<b>-50 683 210</b>
-225 695	-29 128	Income tax expense	9	21 289 274	13 388 252
<u>-846 647</u>	<u>-103 275</u>	<b>Net profit and loss for the year</b>		<b>-3 408 356</b>	<b>-64 071 462</b>
		<b>Brought forward</b>			
-846 647	-103 275	Allocated to other equity			
<u>-846 647</u>	<u>-103 275</u>	<b>Net brought forward</b>			

## Balance sheet

Sonans Holding AS

Parent						Group	
31.12.2020	31.12.2019	Assets	Note	31.12.2020	31.12.2019		
-	-	Concessions, patents etc.	1	6 512 414	2 139 600		
267 158	41 463	Deferred tax asset	9	-	-		
-	-	Goodwill	1	881 829 978	958 880 659		
<b>267 158</b>	<b>41 463</b>	<b>Total intangible assets</b>		<b>888 342 392</b>	<b>961 020 259</b>		
-	-	Capitalized costs	1, 4	1 553 225	468 101		
-	-	Financial leasing	1, 4	-	883 642		
-	-	Office machinery and equipment	1, 4	12 224 527	11 746 860		
-	-	<b>Total tangible assets</b>		<b>13 777 752</b>	<b>13 098 603</b>		
299 466 422	299 466 422	Investments in subsidiaries	2	-	-		
-	-	Investments in shares		1 498 800	1 098 800		
-	-	Other receivables	4	-	-		
<b>299 466 422</b>	<b>299 466 422</b>	<b>Total financial non-current assets</b>		<b>1 498 800</b>	<b>1 098 800</b>		
<b>299 733 580</b>	<b>299 507 885</b>	<b>Total non-current assets</b>		<b>903 618 944</b>	<b>975 217 662</b>		
-	-	Accounts receivables	4	23 356 393	33 997 679		
-	-	Other receivables	12	16 194 105	42 003 645		
-	-	<b>Total receivables</b>		<b>39 550 498</b>	<b>76 001 324</b>		
24 951	180 831	Cash and bank deposits	13	17 846 453	35 377 873		
<b>24 951</b>	<b>180 831</b>	<b>Total current assets</b>		<b>57 396 950</b>	<b>111 379 196</b>		
<b>299 758 531</b>	<b>299 688 716</b>	<b>Total assets</b>		<b>961 015 894</b>	<b>1 086 596 858</b>		

**Balance sheet**

Sonans Holding AS

Parent			Group		
31.12.2020	31.12.2019	Equity and liabilities	Note	31.12.2020	31.12.2019
2 995 029	2 995 029	Share capital	6, 7	2 995 029	2 995 029
-42 495	-38 395	Treasury stock	6, 7	-42 495	-38 395
290 676 040	292 091 151	Share premium	6	222 726 543	226 721 017
<b>293 628 574</b>	<b>295 047 785</b>	<b>Total paid-in equity</b>		<b>225 679 077</b>	<b>229 677 651</b>
-	-	Retained earnings	6	-	-
-	-	<b>Total retained earnings</b>		-	-
<b>293 628 574</b>	<b>295 047 786</b>	<b>Total equity</b>		<b>225 679 077</b>	<b>229 677 651</b>
-	-	Pension liabilities	8	615 872	800 543
-	-	Deferred tax	9	883 518	1 391 370
-	-	<b>Total provisions</b>		<b>1 499 390</b>	<b>2 191 913</b>
-	-	Liabilities to financial institutions	4	595 802 201	659 371 183
-	-	Other non-current liabilities	4	-	33 787 639
-	-	<b>Total other non-current liabilities</b>		<b>595 802 201</b>	<b>693 158 822</b>
608 956	-	Trade creditors		5 557 754	11 420 145
-	-	Tax payable	9	22 791 738	15 658 676
-	-	Public duties payable		16 079 458	19 308 587
5 521 000	4 601 000	Liabilities to group companies	5	-	-
-	39 930	Other current debt	2, 12	93 606 278	115 181 064
<b>6 129 956</b>	<b>4 640 930</b>	<b>Total current liabilities</b>		<b>138 035 228</b>	<b>161 568 472</b>
<b>6 129 956</b>	<b>4 640 930</b>	<b>Total liabilities</b>		<b>735 336 819</b>	<b>856 919 207</b>
<b>299 758 531</b>	<b>299 688 716</b>	<b>Total equity and liabilities</b>		<b>961 015 894</b>	<b>1 086 596 858</b>

Oslo, 03.02.21

DocuSigned by:

*Helge Midtun*

3F0DF7A1D6C849E...

Helge Midtun  
Chairman of the board

DocuSigned by:

*Adam Frahm*

8EAD80A3C1F94C5...

Adam Frahm  
Member of the board

DocuSigned by:

*Erik Brandt*

21D55EBD4BE446E...

Erik Brandt  
Member of the board

DocuSigned by:

*Patrik Johnson*

380166DCF429425...

Ulf Patrik Johnson  
Member of the board

## Cash flow statement

Sonans Holding AS

Parent			Group	
2020	2019		2020	2019
		<b>Cash flow from operations</b>		
-1 072 342	-132 403	Profit before income taxes	17 880 918	-50 683 210
-	-	Taxes paid in the period	-15 658 676	-9 624 276
-	-	Gain/loss from sale of fixed assets	147 372	-
-	-	Loss on sale of subsidiary	19 488 392	-
-	-	Depreciation	64 474 085	66 416 785
-	-	Impairment of fixed assets	-	56 548 086
-	-	Change in trade debtors	1 822 426	320 619
608 956	-	Change in trade creditors	-4 321 313	2 880 789
-	-	Differences in expensed pensions and payments		
-	-	in/out of the pension scheme	-184 671	174 184
-39 930	-	Change in other provisions	34 514 978	15 599 224
<b>-503 316</b>	<b>-132 403</b>	<b>Net cash flow from operations</b>	<b>118 163 511</b>	<b>81 632 201</b>
		<b>Cash flow from investments</b>		
-	-	Proceeds from sale of fixed assets	100 000	-
-	-	Purchase of fixed assets	-6 529 003	-5 574 340
-	-	Purchase of intangible assets	-6 796 940	-7 900 546
-	-	Proceeds/payment from other claims	-	-964 746
-	-46 358 079	Payment to buy shares in other companies	-	51 000
-	-	Payment to buy subsidiaries	-	-203 900 811
-	-	Net cash derecognised upon sale of subsidiary	-1 895 883	-
<b>-</b>	<b>-46 358 079</b>	<b>Net cash flow from investments</b>	<b>-15 121 826</b>	<b>-218 289 443</b>
		<b>Cash flow from financing</b>		
920 000	2 600 000	Proceeds from the issuance of intercompany liabilities	-	-
-	-	Proceeds from the issuance of new liabilities	-	129 330 120
-	-	Repayment of loans	-68 001 532	-
-	-	Repayment of other loans	-51 999 010	-
-	-	Net change in bank overdraft	-	-30 000 000
-	46 394 578	New equity received	-	46 394 578
-572 563	-2 827 399	Repayments of equity	-572 563	-2 827 399
<b>347 437</b>	<b>46 167 179</b>	<b>Net cash flow from financing</b>	<b>-120 573 105</b>	<b>142 897 299</b>
<b>-155 879</b>	<b>-323 303</b>	Net change in cash and cash equivalents	<b>-17 531 420</b>	<b>6 240 057</b>
180 831	504 133	Cash and cash equivalents at the beginning of the period	35 377 873	29 137 815
<b>24 951</b>	<b>180 831</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>17 846 453</b>	<b>35 377 873</b>

**Accounting principles**

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

The company was founded 27.10.2017. The Group was established 18.12.2017.

**Use of estimates**

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

**Consolidation**

Subsidiaries are consolidated from the time the control is transferred to the Group (date of acquisition).

In the consolidated accounts, shares in subsidiaries are replaced with the subsidiary's assets and liabilities. The consolidated accounts are prepared as if the group was one economic entity. Transactions, unrealized profits and balances between the companies in the Group are eliminated.

Acquired subsidiaries are recognized in the consolidated financial statements based on the parent company's acquisition cost. Acquisition cost is assigned to identifiable assets and liabilities in the subsidiary, which are recognized in the consolidated financial statements at fair value at the time of acquisition. Any excess value beyond what can be attributed to identifiable assets and liabilities is recognized as goodwill. Goodwill is treated as a residual and recognized in the balance sheet with the proportion observed in the acquisition transaction. Goodwill in the consolidated accounts is depreciated over the expected useful life of the acquired assets.

The following companies are included in the Group on 31 December. All subsidiaries are 100% owned.

**Parent Company:**

Sonans Holding AS

**Subsidiaries:**

Sonans Holdco AS

**Owned by subsidiaries (100%)**

Sonans Midco AS

Sonans Bidco AS

Sonans Gruppen AS

Sonans Privatgymnas AS

Sonans Karriere AS (sold 03.06.2020)

Bjørknes Education AS

Bjørknes Høyskole AS

Norwegian School of Technology AS

Athomstart Invest 388 AS (merged with Bjørknes Høyskole AS 02.03.2020)

Athomstart Invest 389 AS (merged with Bjørknes Education AS 05.03.2020)

Frisvold Privatgymnas AS (liquidated 06.02.2020)

**Revenues**

Sonans provides education for private candidates and for higher education students. The services are recognised in proportion to the work performed. Income from services are recognised at fair value of the consideration, net after deduction of discounts and reductions.

Sonans has contracts with students for the period of the studies (e.g. one year or one semester). The amount of the revenue to be earned is straight-forward (no variable consideration or discounts)

**Classification of balance sheet items**

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's installment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

**Acquisition cost**

The acquisition cost of assets includes the purchase cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

**Intangible assets**

Goodwill has arisen in connection with the purchase of subsidiaries and is amortized over the expected lifetime.

Expenses for other intangible assets are reflected in the balance sheet as long as they provide a future financial benefit relating to the development of an identifiable intangible asset, and this can be identified and the expenses can be reliably measured.

**Fixed assets**

Fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

Leased assets are reflected in the balance sheet as assets if the leasing contract is considered a financial lease.

**Investments in other companies**

The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contributions from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividends from other companies are reflected as financial income when it has been approved.

**Asset impairments**

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cash flows can be identified. CGU will be each legal entity, and for entities with separate school sites, each school site will be considered a CGU. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down is no longer present.

**Debtors**

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors.

**Foreign currencies**

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date.

**Liabilities**

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

**Pensions**

The Group has various pension schemes. The Group has both defined contribution plans and defined benefit plans.

*Defined contribution plan*

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

*Defined benefit plan*

A defined benefit plan is a pension scheme which is not a defined contribution plan. A defined benefit plan is a pension scheme which defines a pension payment which an employee will receive at pension age. The pension payments are normally dependent on one or more factors such as age, number of years in the company, and salary. The commitment relating to the defined benefit plan on the balance sheet is the present value of the defined benefits at the balance sheet date less fair value of the pension funds (amount paid to an insurance company), adjusted for estimated differences and expenses relating to former period's pension earnings not recognised in the income statement. The pension commitments are calculated annually by an independent actuary on a straight-line earning profile basis.

**Taxes**

The tax charge in the income statement includes both taxes payable for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Deferred tax is reflected at nominal value.

# Sonans Holding AS Group

Notes to the accounts for 2020

## Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

## Change in contingent consideration with a retrospectively adjustment

In connection with the acquisition of Bjørknes Høyskole AS, June 2019, the initial accounting was incomplete by the end of 2019. The measurement period is the financial year after the year of the acquisition. In 2020 Sonans Bidco AS has retrospectively adjusted the amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amount recognised as of that date.

The contingent consideration is based on a calculated student intake at certain dates, and is payable in two instalments, one in 2020 and one in 2021. The total amount was estimated to be NOK 60.000.000 and is adjusted retrospectively to the acquisition date in 2019. NOK 30.000.000 as "Other current debt" and NOK 30.000.000 as "Other long term liabilities". This has increased the booked value of "Investments in subsidiaries" in the financial statements of Sonans Bidco AS, and "Goodwill" in the Group financial statements.

## Change in classification for finance fees

Finance fees incurred when raising new loans were reported gross in the balance sheet for 2019, this should however have been reported net with the related liabilities to financial institutions. For 2020 this is reported net, and the comparison figures are also changed in accordance to this.

## Summary of changes made to 2019

### Parent company

No changes

### Group

Line item	Original 2019	Adjusted 2019	Change
Depreciation and amortisation expenses	64 916 784	66 416 784	1 500 000
Interest expenses	32 187 666	36 018 348	3 830 682
Other financial expense	9 297 353	5 466 671	-3 830 682
Goodwill	900 380 659	958 880 659	58 500 000
Other receivables (non-current)	14 834 181	-	-14 834 181
Share premium	235 582 022	234 082 022	-1 500 000
Liabilities to financial institutions (non-current)	674 205 364	659 371 183	-14 834 181
Other non-current liabilities	3 787 639	33 787 639	30 000 000
Other current debt	85 141 134	115 141 134	30 000 000

## Sonans Holding AS Group

Notes to the accounts for 2020

## Note 1 Fixed Assets

## 1.1 Intangible assets

Group

	Goodwill Bjørknes	Goodwill Sonans Gruppen	Goodwill Sonans Karriere	Goodwill Sonans Privatgymnas	Total
Purchase cost at group establishment	241 095 714	622 242 701	107 695 812	243 033 873	1 205 569 128
Additions	-	-	-	-	-
Disposals	-	-	(107 695 812)	-	(107 695 812)
<b>Purchase cost 31.12.</b>	<b>241 095 714</b>	<b>622 242 701</b>	<b>-</b>	<b>243 033 873</b>	<b>1 106 372 288</b>
Acc. write-downs 31.12	-	-	-	-	-
Acc. depreciations 31.12.	18 082 179	92 966 472	-	113 493 685	224 542 336
<b>Net book value 31.12.</b>	<b>223 013 535</b>	<b>529 276 229</b>	<b>-</b>	<b>129 540 188</b>	<b>881 829 978</b>
<b>Write-downs in the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciations in the year</b>	<b>12 054 786</b>	<b>31 112 135</b>	<b>2 243 663</b>	<b>12 151 694</b>	<b>57 562 278</b>
Estimated useful life	20 years	20 years	20 years	20 years	
Depreciation plan	Straight line	Straight line	Straight line	Straight line	

Goodwill relates to acquisition of Sonans Gruppen, Sonans Karriere AS, Sonans Privatgymnas AS, Sonans Privatgymnas Tromsø AS, Bjørknes Education AS and Bjørknes Høyskole AS.

The value of the goodwill is based on the expectations of long-term future earnings. The management assesses that the excess value has a longer duration than 5 years. The management basis for this is that the companies invested in, over a long range of time have established good market positions and long-term relationships with international partners, and that this generates positive synergies for the Group as a whole. Depreciation plan for goodwill is set to 20 years.

Sonans Karriere AS was sold in 2020 (see note 2 and 16)

	Concessions, patents etc.	Sum
Purchase cost at group establishment	3 775 875	3 775 875
Additions	6 796 940	6 796 940
Disposals	-	-
Disposals through sales	(3 600 875)	(3 600 875)
<b>Purchase cost 31.12.</b>	<b>6 971 940</b>	<b>6 971 940</b>
Accumulated depreciation 31.12.	459 526	459 526
<b>Net book value 31.12.</b>	<b>6 512 414</b>	<b>6 512 414</b>
<b>Depreciation in the year</b>	<b>287 760</b>	<b>287 760</b>
Estimated useful life	5 years	
Depreciation plan	Straight line	

## Sonans Holding AS Group

Notes to the accounts for 2020

## 1.2 Fixed Assets

Group

	Capitalized cost	Financial leases	Non-depreciation assets	Tangible assets	Total
Purchase cost at group establishment	12 852 922	22 848 505	375 840	34 067 152	70 144 419
Additions	-	-	-	6 281 631	6 281 631
Disposals	-	-	-	-	-
Disposals through sales	(303 183)	-	-	(2 823 840)	(3 127 023)
<b>Purchase cost 31.12.</b>	<b>12 549 739</b>	<b>22 848 505</b>	<b>375 840</b>	<b>37 524 943</b>	<b>73 299 027</b>
Acc. Depreciations 31.12.	10 996 514	22 848 505	-	25 676 255	59 521 274
<b>Net book value 31.12.</b>	<b>1 553 225</b>	<b>-</b>	<b>375 840</b>	<b>11 848 688</b>	<b>13 777 752</b>
Depreciation in the year	948 470	883 642	-	4 791 934	6 624 046
Estimated useful life	5-10 years	3 years		3-8 years	
Depreciation plan	Straight line	Straight line	No depreciation	Straight line	

**Annual rental of non-financial assets**

The Group has annual leases on premises correspondingly: 44 310 556 (the rent is indexed)

**Tangible assets**

	Rental period	Yearly rental
Other tangible assets	3 years	4 214 639

**Note 2 Subsidiaries**Parent company

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Equity (100 %)	Result (100 %)	Balance sheet value
Sonans Holdco AS	Oslo	100 %	299 412 109	(35 946)	299 466 422
<b>Balance sheet value 31.12</b>					<b>299 466 422</b>

Owned by subsidiaries	Location	Ownership/ voting right	Equity (100 %)	Result (100 %)	Balance sheet value
Sonans Midco AS	Oslo	100 %	299 498 070	(33 840)	299 466 422
Sonans Bidco AS	Oslo	100 %	383 196 255	51 302 255	299 466 422
Sonans Gruppen AS	Trondheim	100 %	185 533 838	53 362 642	756 308 622
Bjørknes Education AS	Oslo	100 %	28 600 413	1 956 213	31 961 982
Bjørknes Høyskole AS	Oslo	100 %	144 873 101	20 106 839	218 136 973
Norwegian School of Technology AS	Trondheim	100 %	19 218	-20 712	60 000
Sonans Privatgymnas AS	Trondheim	100 %	4 942 619	82 518 798	229 186 988
<b>Balance sheet value 31.12</b>					<b>1 235 654 565</b>

**Sale of Sonans Karriere AS**

Sonans Karriere AS was sold in 2020. This generated a total loss for the Group amounting to NOK 19 599 319.

**Earn-out regarding acquisition of Bjørknes Høyskole AS**

Part of the purchase price consideration for the acquisition of Bjørknes Høyskole was an 'Earn-out'. The potential earn-out amount is payable in two instalments, one in 2020 and one in 2021 and is based on a calculated student intake at certain dates. The amount of earn out payable in 2021 is NOK 30 000 000, and is to be found as a provision under "Other current debt".

## Sonans Holding AS Group

Notes to the accounts for 2020

## Note 3 Income from public grants

## Public grants:

Public grants in 2020 was NOK 1 056 848.

This is a one-off grant given in 2020 from Kompetanse Norge to Bjørknes Høyskole AS.

## Note 4 Receivables and liabilities

<u>Parent company</u>			<u>Group</u>	
2020	2019	Debtors which fall due later than one year	2020	2019
-	-	Other receivables	-	-
-	-	Group debtors	-	-
-	-	<b>Total</b>	-	-
		<b>Long term liabilities which fall due later than 5 years</b>		
2020	2019		2020	2019
-	-	Liabilities to credit institution	-	404 200 000
-	-	<b>Total</b>	-	<b>404 200 000</b>
-	-	<b>Liabilities secured by mortgage</b>	<b>606 203 832</b>	<b>674 205 364</b>
		<b>Balance sheet value of assets placed as security</b>		
-	-	Trade debtors	22 145 358	32 698 561
-	-	Tangible assets	8 678 965	10 059 253
-	-	<b>Total</b>	<b>30 824 323</b>	<b>42 757 814</b>

The Group is financed by a loan agreement entered into by Sonans Bidco AS. This loan has three facilities and a revolving facility. Sonans Bidco AS pays regular instalments on one of the facilities, the rest is due at termination date. There are three covenants related to this loan agreement, and this relates to cash flow ratio, interest cover ratio and leverage ratio. All covenants are compliant as of December 31st 2020.

Guarantee in connection with entered lease contracts and withheld employee tax amounts to NOK 36 173 163.

One interest swap agreement has been entered into with Nordea. The swap agreement is off-balance sheet as hedging instruments.

Currency	Amount	Receive	Pay	Maturity	Market value 31.12.20
NOK	50 000 000	Floating rate	Fixed rate	2021	-495 896

## Note 5 Balance with group companies, etc.

Parent company

	Other debtors	
	2020	2019
Group companies	5 521 000	4 601 000
<b>Total</b>	<b>5 521 000</b>	<b>4 601 000</b>

## Sonans Holding AS Group

Notes to the accounts for 2020

## Note 6 Shareholders equity

Parent company

Equity changes in the year	Share capital	Share premium	Treasury stock	Total
Equity 1.1.	2 995 029	292 091 151	-38 395	295 047 786
Purchase of treasury stock	-	-568 463	-4 100	-572 563
Profit for the year	-	-846 647	-	-846 647
<b>Equity 31.12.</b>	<b>2 995 029</b>	<b>290 676 040</b>	<b>-42 495</b>	<b>293 628 574</b>

Group

Equity changes in the year	Share capital	Share premium	Treasury stock	Retained earnings	Total
Equity 31.12.19	2 995 029	228 221 017	-38 395	-	231 177 651
Changes*	-	-1 500 000	-	-	-1 500 000
Equity 01.01.20	2 995 029	226 721 017	-38 395	-	229 677 651
Purchase of treasury stock	-	-568 463	-4 100	-	-572 563
Other equity changes	-	-17 654	-	-	-17 654
Profit for the year	-	-	-	-3 408 356	-3 408 356
Transfer from share premium	-	-3 408 356	-	3 408 356	-
<b>Equity 31.12.</b>	<b>2 995 029</b>	<b>222 726 543</b>	<b>-42 495</b>	<b>-</b>	<b>225 679 077</b>

\* See Accounting principles, and the paragraphs "Change in contingent consideration with a retrospectively adjustment" and "Summary of changes made to 2019".

## Note 7 Share capital and shareholder information

Parent company

Share capital	Number	Per value	Capitalised
A-shares	4 989 750	0,01	49 898
B-shares	294 513 172	0,01	2 945 132
<b>Total</b>	<b>299 502 922</b>	<b>0,01</b>	<b>2 995 029</b>

The preference shares (B-shares) are given preferred rights to dividends. The preferred dividend for each preference share is calculated at a rate of 12 % of the base amount. The parent company is only permitted to pay a dividend if it has sufficient distributable reserves, determined in accordance with chapter 8 of the Norwegian Private Limited Companies Act.

The contingent non-booked liability related to this is NOK 110 474 022. The A-shares are not entitled to dividends until the preference shares have received their preferred returns.

The B-shares do not have voting rights.

Shareholders	A-shares	B-shares	Total	Interest	Share of votes
EMK Capital Partners LP	4 086 374	262 368 275	266 454 649	89,0 %	81,9 %
Erik Brandt (member of the board)	247 500	880 931	1 128 431	0,4 %	5,0 %
EMK Capital Partners GP CO-inv LP	163 626	10 505 700	10 669 326	3,6 %	3,3 %
Aina Gerner-Mathisen	60 000	3 613 416	3 673 416	1,2 %	1,2 %
Visento AS (fully owned by Helge Midttun, chairman of the board)	75 000	5 000 000	5 075 000	1,7 %	1,5 %
Tind Capital AS	50 000	-	50 000	0,0 %	1,0 %
Sonans Holding AS	-	3 839 469	3 839 469	1,3 %	0,0 %
Shareholders with less than 1%	307 250	8 305 381	8 612 631	2,9 %	6,2 %
<b>Total</b>	<b>4 989 750</b>	<b>294 513 172</b>	<b>299 502 922</b>	<b>100,0 %</b>	<b>100,0 %</b>

Sonans Holding AS has in 2020 bought 410 000 own shares at a price of NOK 572 563.

## Sonans Holding AS Group

Notes to the accounts for 2020

## Note 8 Pensions

The Group has pension schemes which cover a total of 1 person. The Group has a closed group pension scheme, and a defined-contribution scheme which covers the remaining employees. The commitment related to the group pension scheme is covered through an insurance company. The defined-contribution scheme is financed from the Group's operations. The defined-contribution scheme is expensed on an ongoing basis.

The Group's pension schemes meet the requirements of the law on compulsory occupational pension.

<b>Persons covered by the schemes</b>	<b>Active</b>	<b>Pensioners</b>
Defined-benefit scheme	1	0

  

<b>Income statement</b>	<b>2020</b>	<b>2019</b>
Present value of pensions earned this year	291 401	255 153
Interest expense on the pension commitment	5 245	6 634
Estimate differences booked	105 819	7 282
Administrative fee	42 239	59 183
Social security fees	55 461	45 256
<b>Total net pension expenses</b>	<b>500 165</b>	<b>373 508</b>

  

<b>Balance sheet</b>	<b>2020</b>	<b>2019</b>
Estimated pension commitment	-4 467 876	-5 802 745
Estimated pension funds	2 267 000	2 623 000
<b>Estimated pension commitment 31.12.</b>	<b>-2 200 876</b>	<b>-3 179 745</b>
Estimate differences/plan changes not booked, including social security fees	1 585 004	2 379 202
<b>Net pension commitment 31.12</b>	<b>-615 872</b>	<b>-800 543</b>

**Financial assumptions:**

	<b>2020</b>	<b>2019</b>
Discount rate	1,50 %	1,80 %
Estimated salary increase	2,00 %	2,25 %
Estimated pension increase	1,75 %	1,75 %
Estimated social security base figure adjustment	1,75 %	2,00 %
Expected return on funds	2,40 %	4,20 %

## Note 9 Tax

## Calculation of deferred tax/deferred tax benefit

<u>Parent company</u>			<u>Group</u>	
2020	2019		2020	2019
		<b>Temporary differences</b>		
-	-	Tangible assets	(3 894 760)	(5 942 721)
-	-	Receivables	(317 062)	(1 015 074)
-	-	Financial lease	-	(275 069)
-	-	Other temporary differences	9 785 759	13 946 687
-	-	Net temporary differences	5 573 937	6 713 823
(1 214 356)	(188 470)	Tax losses carried forward	(1 560 051)	(389 412)
-	-	Other not used differences	-	-
<b>(1 214 356)</b>	<b>(188 470)</b>	<b>Basis for deferred tax in the balance sheet</b>	<b>4 013 886</b>	<b>6 324 411</b>
(267 158)	(41 463)	22 % deferred tax	883 518	1 391 370
-	-	Correction of previous year misstatements	-	-
<b>(267 158)</b>	<b>(41 463)</b>	<b>Deferred tax/asset</b>	<b>883 518</b>	<b>1 391 370</b>

## Basis for the tax expense, change in deferred tax and tax payable

(1 072 342)	(132 403)	<b>Basis for tax payable</b>		
46 456	-	Result before taxes	17 880 916	(50 683 212)
(1 025 886)	(132 403)	Permanent differences	71 973 050	121 576 503
-	-	Basis for the tax expense for the year	89 853 966	70 893 291
-	-	Change in temporary differences	8 854 491	63 230
<b>(1 025 886)</b>	<b>(132 403)</b>	Use of tax losses carried forward	-	-
		<b>Basis for payable taxes in the income statement</b>	<b>98 708 457</b>	<b>70 956 521</b>
-	-	Basis for payable taxes in the income statement		
-	-	discontinued operations - Sonans Karriere	2 800 442	-
		+/- Group contributions received/given	-	-
<b>(1 025 886)</b>	<b>(132 403)</b>	<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>101 508 899</b>	<b>70 956 521</b>
		<b>Components of the income tax expense</b>		
(225 695)	(29 128)	Payable tax on this years result	21 715 861	15 610 435
-	-	Adjustment in respect of priors	-	-
(225 695)	(29 128)	Total payable tax	21 715 861	15 610 435
-	-	Change in deferred tax	(426 588)	-2 222 182
<b>(225 695)</b>	<b>(29 128)</b>	<b>Tax expense (22 % of taxable income)</b>	<b>21 289 274</b>	<b>13 388 252</b>
		<b>Payable taxes in the balance sheet</b>		
-	-	Payable tax (22 % of basis)	22 577 336	15 658 676
-	-	Tax effect of group contribution	-	-
-	-	Adjustment from prior year	214 392	-
-	-	<b>Payable tax in the balance sheet</b>	<b>22 791 738</b>	<b>15 658 676</b>

## Sonans Holding AS Group

Notes to the accounts for 2020

## Note 10 Total income

<u>Parent company</u>		Activity distribution	<u>Group</u>	
2020	2019		2020	2019
-	-	Services to government institution	43 795 536	156 927 177
-	-	Education	517 205 907	407 556 925
-	-	Government grants	1 056 848	304 122
-	-	Other income	353 827	102 650
-	-	<b>Total</b>	<b>562 412 118</b>	<b>564 890 874</b>
2020	2019	Geographical distribution	2020	2020
-	-	Norway	562 412 118	564 890 874
-	-	Other countries	-	-
-	-	<b>Sum</b>	<b>562 412 118</b>	<b>564 890 874</b>

## Note 11 Payroll expenses, number of employees, remunerations, loans to employees, etc.

<u>Parent company</u>		Payroll expenses	<u>Group</u>	
2020	2019		2020	2019
-	-	Salaries	217 247 316	236 077 318
-	-	Social security fees	29 255 567	35 935 532
-	-	Pension expenses	8 730 638	9 566 253
-	-	Other remuneration	4 267 082	7 210 517
-	-	<b>Sum</b>	<b>259 500 604</b>	<b>288 789 620</b>

The number of full-time equivalents in the accounting year has been 0 in the parent company and 284 in the Group.

Remuneration to executives	General manager		Board
	2020	2019	2020
Salaries/board fee	2 232 580	512 500	
Pension expenses	11 039	-	
Other remunerations	9 558	-	

The general manager and the board are paid from Sonans Gruppen AS.

No loans/securities have been granted to the general manager, Board chairman or other related parties.

The general manager has a bonus agreement dependent on EBITDA performance of the Group for the financial year 2020. In addition, a part of the bonus is subject to achieving several individual objectives.

## Expensed audit fee

	<u>Parent company</u>	<u>Group</u>
Statutory audit	100 629	1 088 996
Other assurance services	0	51 426
Tax advisory fee (incl. technical assistance with tax return)	26 250	170 760
Other assistance (incl. technical assistance with financial statements)	696 456	1 532 363
<b>Total (incl VAT)</b>	<b>823 335</b>	<b>2 843 545</b>

Other assistance to the parent company and the Group includes fees to the auditor in relation to their assistance with an ongoing IFRS conversion process.

**Note 12 Specification of other receivables and other current liabilities**

<u>Parent company</u>			<u>Group</u>	
2020	2019		2020	2019
-	-	<b>Other receivables</b>		
-	-	Prepaid expenses	16 151 098	17 548 347
-	-	Other debtors	43 006	24 455 298
-	-	<b>Total other receivables</b>	<b>16 194 105</b>	<b>42 003 645</b>

<u>Parent Company</u>			<u>Group</u>	
2020	2019		2020	2019
-	39 930	<b>Other current debt</b>		
-	-	Other current debt	16 596 798	32 426 747
-	-	Holiday pay	16 692 931	24 239 819
-	-	Earn-out	30 000 000	30 000 000
-	-	Net prepaid tuition fees*	30 316 553	28 514 498
-	<b>39 930</b>	<b>Total current debt</b>	<b>93 606 278</b>	<b>115 181 064</b>

\* Net prepaid tuition fees are the net amount of prepaid tuition fees NOK 82 214 017 and earned not invoiced fees NOK 51 897 464.

**Note 13 Restricted bank deposits, overdraft facilities**

The Group has NOK 70 000 000 in granted overdraft facilities. At year end NOK 70 000 000 of this grant is unused.

The Group has a bank guarantee for withheld employee taxes that covers the amount held on this account.

**Note 14 Related-party transactions**Parent company

Balance with group companies is disclosed in note 5.

<b>Related-party transactions:</b>	<b>2020</b>	<b>2019</b>
Purchases of goods and services	150 000	-
Purchases of services from group companies	-	-
Financial income and expenses		
Interest income from group companies	-	-

**Note 15 Covid-19**

2020 was an extraordinary year in the light of Covid-19. Sonans Education and Bjørknes Høyskole were able to continue offering services to their students, in a manner consistent with government regulation and advice, and at the same time upholding high quality.

**Note 16 Sale of subsidiary**

Frisvold Privatgymnas AS was liquidated in 2020. Both the contribution to the Group's profit and loss and balance sheet, have been immaterial.

Sonans Karriere AS was sold in 2020 (see note 2 for information about the loss for the Group).

	<b>01.01 - 03.06.2020</b>	<b>2019</b>
Total income	44 004 919	156 928 177
Total operating expenses	46 797 930	152 485 068
Operating profit	-2 793 011	4 443 109
Net finance	7 432	11 402
Profit before income tax	-2 800 443	4 431 707
Income tax expense	-616 097	989 862
<b>Net profit and loss for the year</b>	<b>-2 184 346</b>	<b>3 441 845</b>

## Certificaat betreffende voltooiing

Envelop-id: F094D98372C747F586C5E7530AA3083C	Status: Voltooid	
Onderwerp: Please DocuSign: Sonans Holding Group AS 2020.pdf		
Bronenvelop:		
Documentpagina's: 21	Handtekeningen: 8	Opdrachtgever van envelop:
Certificaatpagina's: 5	Paraaf: 0	Øyvind Mork Karlsen
Begeleide ondertekening: Ingeschakeld		Haakon VII's gate 10
Stempel met envelop-id plaatsen: Ingeschakeld		Oslo, Oslo 0161
Tijdzone: (UTC+01:00) Amsterdam, Berlin, Bern, Rome, Stockholm, Vienna		omk@thommessen.no
		IP-adres: 81.175.32.90

## Records bijhouden

Status: Origineel	Houder: Øyvind Mork Karlsen	Locatie: DocuSign
05 februar 2021   09:07	omk@thommessen.no	

## Ondertekenaargebeurtenissen

Adam Frahm  
adam@emkcapital.com  
Beveiligingsniveau: E-mail, Accountverificatie (geen)

## Signatur

DocuSigned by:  
*Adam Frahm*  
8EAD80A3C1F94C5...

## Tijdstempel

Verzonden: 05 februar 2021 | 09:09  
Bekeken: 05 februar 2021 | 09:54  
Ondertekend: 05 februar 2021 | 09:54

Signatur tatt i bruk: Forhåndsdefinert stil  
IP-adres gebruiken: 90.248.142.232

## Elektronische document- en handtekeninginformatie:

Geaccepteerd: 05 februar 2021 | 09:54  
Id: 493e03dd-3948-48d0-a6ce-e7d999cb78a1

Erik Brandt  
Erik.Brandt@sonans.no  
Beveiligingsniveau: E-mail, Accountverificatie (geen)

DocuSigned by:  
*Erik Brandt*  
21D55EBD4BE446E...

Verzonden: 05 februar 2021 | 09:09  
Bekeken: 05 februar 2021 | 09:09  
Ondertekend: 05 februar 2021 | 09:10

Signatur tatt i bruk: Forhåndsdefinert stil  
IP-adres gebruiken: 62.92.30.4

## Elektronische document- en handtekeninginformatie:

Geaccepteerd: 05 februar 2021 | 09:09  
Id: 42a832d2-deae-4fc1-a899-54f609022f61

Helge Midttun  
he-mid@online.no  
Visento AS  
Beveiligingsniveau: E-mail, Accountverificatie (geen)

DocuSigned by:  
*Helge Midttun*  
3F0BF7A1D6C849E...

Verzonden: 05 februar 2021 | 09:09  
Bekeken: 05 februar 2021 | 09:19  
Ondertekend: 05 februar 2021 | 09:19

Signatur tatt i bruk: Forhåndsdefinert stil  
IP-adres gebruiken: 84.213.236.19

## Elektronische document- en handtekeninginformatie:

Geaccepteerd: 05 februar 2021 | 09:19  
Id: 9c3dade7-7f5f-46ae-914e-e085a6b2c124

Patrik Johnson  
patrik@emkcapital.com  
Beveiligingsniveau: E-mail, Accountverificatie (geen)

DocuSigned by:  
*Patrik Johnson*  
380166DCF429425...

Verzonden: 05 februar 2021 | 09:09  
Bekeken: 05 februar 2021 | 09:10  
Ondertekend: 05 februar 2021 | 09:11

Signatur tatt i bruk: Forhåndsdefinert stil  
IP-adres gebruiken: 78.71.168.183

## Elektronische document- en handtekeninginformatie:

Geaccepteerd: 05 februar 2021 | 09:10  
Id: 37c7bfbcb-fb62-4835-b0b8-265f5cfc6389

Gebeurtenissen voor persoonlijke ondertekenaar	Signatur	Tijdstempel
Verzendingsgebeurtenissen voor bewerker	Status	Tijdstempel
Verzendingsgebeurtenissen voor vertegenwoordiger	Status	Tijdstempel
Verzendingsgebeurtenissen voor tussenpersoon	Status	Tijdstempel
Gecertificeerde verzendingsgebeurtenissen	Status	Tijdstempel
Carbon copy-gebeurtenissen	Status	Tijdstempel
Vitnehendelser	Signatur	Tijdstempel
Notarisgebeurtenissen	Signatur	Tijdstempel
Gebeurtenissen voor envelopsamenvatting	Status	Tijdstempels
Envelop verzonden	Gehasht/gecodeerd	05 februari 2021   09:09
Gecertificeerd verzonden	Beveiliging gecontroleerd	05 februari 2021   09:10
Ondertekening voltooid	Beveiliging gecontroleerd	05 februari 2021   09:11
Voltooid	Beveiliging gecontroleerd	05 februari 2021   09:54
Betalingshendelse	Status	Tijdstempels
Elektronische document- en handtekeninginformatie		

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Advokatfirmaet Thommessen AS (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

### **How to contact Advokatfirmaet Thommessen AS:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [saa@thommessen.no](mailto:saa@thommessen.no)

### **To advise Advokatfirmaet Thommessen AS of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [saa@thommessen.no](mailto:saa@thommessen.no) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

### **To request paper copies from Advokatfirmaet Thommessen AS**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [saa@thommessen.no](mailto:saa@thommessen.no) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

### **To withdraw your consent with Advokatfirmaet Thommessen AS**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to [saa@thommessen.no](mailto:saa@thommessen.no) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Advokatfirmaet Thommessen AS as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Advokatfirmaet Thommessen AS during the course of your relationship with Advokatfirmaet Thommessen AS.



To the General Meeting of Sonans Holding AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

---

#### *Opinion*

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

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

In our opinion:

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

---

#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



---

### *Other information*

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

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

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

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

---

### *Responsibilities of the Board of Directors for the Financial Statements*

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

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

---

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

---

### *Report on Other Legal and Regulatory Requirements*

---

#### *Opinion on the Board of Directors' report*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going



concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

---

*Opinion on Registration and Documentation*

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

Trondheim, 3 February 2021  
**PricewaterhouseCoopers AS**

Ronny Lysmen  
State Authorised Public Accountant

(This document is signed electronically)

## Revisjonsberetning

**Signers:**

<i>Name</i>	<i>Method</i>	<i>Date</i>
Lysmen, Ronny	BANKID_MOBILE	2021-02-03 11:04

**This document package contains:**

- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



This file is sealed with a digital signature.  
The seal is a guarantee for the authenticity  
of the document.