

JOIN21 AS

Note 1 - Accounting principles

The annual accounts are set up in accordance with the Accounting Act and NRS 8 - Good accounting practice for small enterprises.

Revenues

Income recognition takes place according to the earning principle that would normally be the delivery time of goods and Services. Costs are included in the composition principle, i.e. costs are included in the same period associated income is recognised in income.

The main rule for assessing and classifying assets and liabilities

Assets destined for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables to be repaid within a year are classified as current assets anyway.

When classifying short-term and long-term debt, analogue criteria are used as a basis.

Current assets are valued at the lowest of acquisition cost and fair value. Current liabilities are recognised in the balance sheet to nominal amount received at the time of establishment.

Tangible fixed assets

Fixed assets are depreciated over the expected economic lifetime. As a general rule, depreciation is distributed linearly over estimated economic life expectancy.

Receivables

Trade receivables and other receivables are listed at nominal value after deduction of provisions for expected losses. Accrual losses are made on the basis of an individual assessment of the individual claims.

Currency

Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Money items in foreign currency is converted to NOK using the exchange rate of the balance sheet date.

Tax

The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax.

Deferred

tax is calculated at 22% on the basis of the temporary differences that exist between accounting tax values, as well as tax deficits to be presented at the end of the financial year.

Tax-increasing and tax-reducing temporary differences that reverse or can be reversed in the same period has been settled and netted.

Financial instruments

Financial instruments are valued at the lowest of cost price and fair value / Financial instruments are valued at fair value.

Research and development

Expenditure on development is recognised in the balance sheet to the extent that a future economic benefit related to development can be identified of an identifiable intangible asset and the expenses can be measured reliably.

Otherwise, such expenses accruing.

Capitalized development is depreciated on a straight-line balance sheet over economic life. Expenditure on research is expensed running.

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Note 2 - Equity

	Share capital	Over-course funds	Other equity	Uncovered Tap	Total equity
As of 1.1.	605 000	587 500	1 167 581		2 360 081
Capital increase	20 865	605 085			625 950
Unregistered capital increase	45 048	2 449 486			2 494 534
Change of principle effect in previous years				-2 148 576	
Full year result			-1 167 581	-3 253 543	-4 421 124
As of 31.12	670 913	3 642 071	-	-5 402 119	-1 089 135

Uncovered loss relates to development of join21 software

Note 3 - Number of shares, shareholders, etc.

Share capital	Quantity	Par	Capitalized
Ordinary shares	6 258 650	0,1	625 865

Shareholders	Role	Stocks	Stake
Join21 Holding AS		6 000 000	95,87 %
Deversity D.O.O.		108 650	1,74 %
Ad Punctum AS		100 000	1,60 %
Paul G. Stoltz		50 000	0,80 %
		6 258 650	100 %

Note 4 - Labour costs

	2020	2019
Salary		313 600
Employer's National Insurance contributions	15 595	92 914
Pension costs	57 080	109 045
Other payroll-related benefits	66 937	70 690
Activation of R&D and tax findings		-829 999
Sum	139 612	-243 751

On average, the company has employed 2 man-years. The owners have worked unpaid in the development of the company's products.

Pension costs

The company is obliged to have an occupational pension scheme pursuant to the Act relating to compulsory occupational pensions. The Company's pension schemes satisfy the requirements of this Act.

Note 5 - Benefits/remuneration to the general manager, the board of directors and the auditor

Benefits for senior people

	General Manager	Control
Salary	16 800	0
Pension costs	28 540	0
Other remuneration	33 469	0
Sum	78 809	0

Senior executives do not have an agreement on bonuses or share-based remuneration.

Remuneration to the auditor

Mandatory audit	-
Other services	-
Sum	-

All amounts excluding VAT. The company has not been audited for 2019 and has no costs related to audits posted in 2020. Plus Revisjon AS revises the annual accounts for 2020

Note 6 - Capital Due

	2020	2019
Bound tax withholding funds:	10 036	1

Note 7 - Tax expense

This year's tax expense is responded to by:	2020	2019
Tax payable (Corona measures)	-326 677	323 571
Change in deferred tax	0	-746
Total tax expense	-326 677	322 825

Calculation of this year's tax base:

	2020	2019
Profit before tax cost	-4 747 801	1 476 890
Permanent differences	-2 143 853	-567 150
Change in temporary differences	669 868	561 038
Tax base of the year result	-6 221 786	1 470 778
Use of a marketable deficit	1 484 895	0
Tax base of the year	-7 706 681	1 470 778

Overview of temporary differences:

			Change
Assets		-577 512	-577 512
Receivables	-650 000	19 868	-630 132
Total temporary differences	-650 000	-557 644	-1 207 644
Proceeds to performance deficit	-4 736 891	0	-4 736 891
Not included in the calculation of deferred tax	5 386 891	557 644	5 944 535
Basis deferred tax / tax assets	0	0	0
Deferred tax/ tax assets 22 %	0	0	0

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Note 8 - Fixed Assets

	FOU	Total
Acquisition cost 01.01	3 822 078	3 822 078
Access	0	0
Departure	0	0
Acquisition cost 31.12	3 822 078	3 822 078
		0
Accumulated depreciation 31.12	0	0
Accumulated impairments 31.12	3 822 078	3 822 078
Book value at 31.12	0	0
Depreciation of the year	0	
Write-downs of the year	3 822 078	(activation reversal)
Depreciation plan	5 years	

Note 9 - Investment in equities

Company	Cost price
Orato AS	100 000
Join21 Sweden AB	50 000
Join21 Ltd Bangladesh	109 406

Investment has been posted at cost price

Note 10 - Long-term debt

	2020	2019
The company has loans from Innovation Norway	1 500 000	1 500 000
The company has loans from Innovation Norway	900 000	0
Total Long-term liabilities	2 400 000	1 500 000

Note 11 - Intermediate with company in the same group

Receivables	2020	2019
Loans to enterprises in the same group	0	0
Accounts receivable	0	0
Other receivables	0	0
Sum	0	0
Of which receivables due > 1 year	0	0
Debt	2020	2019
Liabilities to enterprises in the same group	2 017 000	910 000
Accounts payable	0	0
Other current liabilities	0	0
Sum	2 017 000	910 000

Note 12 - Public subsidy / Tax findings

The company has ongoing tax discovery projects in 2020, the total tax discovery for good as of 31.12.2020 is NOK 273 848.

Note 13 - Continued operation

The Board of Directors understands that the company's share capital has been lost. The Board is aware of the Board's duty to act and have prepared a plan to ensure the company's operation.

Deficit of NOK 4 421 124 and negative Share Capital of NOK 1 089 135

due to costs associated with the development of the company's program resolution and ordinary start-up costs.

Deficits and negative EK are covered by loans from owners and Innovation Norway. In 2020, the Board of Directors has capital increases and are working on further capital raising in Q2 2021. The company is already well underway to secure capital and liquidity. The company also expects an increase in turnover in 2021 and profits from operations from 2022.