

Annual Report
2023



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About Ocean GeoLoop

Ocean GeoLoop will help companies and countries achieve their goals of reduced emissions and access to renewable electricity for the green transition.

Ocean GeoLoop AS uses nature's own way to solve the challenges of our time in a circular way. The company has introduced the GeoLoop CC technology that captures CO₂ from point source emissions using natural and harmless processes. Ocean GeoLoop will help companies and countries achieve their goals of reduced emissions and access to renewable electricity for the green transition. The company is listed on the Oslo Stock Exchange Euronext Growth under the ticker OCEAN.



Letter from CEO

“ Ocean GeoLoop is well positioned and aims to become an internationally leading CCUS company in a rapidly expanding carbon market.”

A commitment to meeting global challenges

It's urgent! The earth is under increasing stress due to the world's growing population and an ever-increasing demand for energy, food and resources, and general welfare.

In the last two years, we have seen that globalization has changed. The unrest in several parts of the world has led to stronger regionalization. However, the climate and resource crises are not of regional nature, but fundamental and global. Despite regional differences in the approach to combat these crises, the international agreements have been strengthened and the search for better solutions have intensified during 2023.

EU's ambitious policy on decarbonization and the US Inflation Reduction Act provides solid ground for the international carbon markets, and it works! The request for commercial CCUS studies has exploded, while lack of logistics solutions, geological storage and renewable energy are critical barriers for the deployment of an efficient international CCS market. Alternative CCU pathways are hindered by lack of renewable energy, but also by knowledge barriers and the associated regulatory frameworks. Even if the carbon markets have hurdles, they have come to stay and are increasing rapidly.

We move fast

Our speed is rooted in the way we work, a true power of collaboration, industrial partnerships and devotion. Through our three years of operation, we have built highly advanced installations of our product offerings and verified the robustness of our solutions in harsh environments. We are moving fast, and the Ocean GeoLoop method remains a catalyst for continued performance.

Milestones in carbon capture technology

In August 2023 we successfully passed the 3,000-hour milestone for safe operations of our industrial

point source carbon capture pilot at Norske Skog Skogn in Norway. Having an autonomous carbon capture plant with no harmful chemicals or need for residual heat are features that are highly appreciated by our industrial partners. The pilot shows industrial robustness, including when run autonomously over longer periods. We also revealed several means to further optimize the solution.

During 2023 we built an agile test facility within SINTEF's CO₂ lab in Trondheim, Norway. This test facility is by now a flexible test and optimization tool that improves our core technology, in close collaboration with world-class experts from SINTEF. Ocean GeoLoop's two test facilities allow rapid experimental simulation of customer's flue gas composition and operating conditions and represents a powerful means for our industrial customers to save both time and cost in evaluation and testing of our carbon capture technology.

Targeted market entrance

In this report we're presenting the most prominent industry partners with whom we work; Yara Norge AS, NorFraKalk AS, a joint venture of Franzefoss Minerals AS and Nordkalk Oy, Norske Skog ASA and Nordural EHF, Iceland. These major companies have ambitious plans and represent global industry segments with large potential and need for carbon capture. As part of the work, we actively engage our shareholder and added-value partner Chevron New Energies, and a set of EPC companies, thus providing a solid base for successful CCUS projects.

Our strategy is to stack a set of commercial projects with the mentioned partners that allows, firstly, to define modularized products and product families, and secondly, to verify and showcase the generic applicability of the underlying basic technology. So far in 2024 we have announced the agreement with NorFraKalk for a potential large-scale CO₂ capture project with the ambition to make NorFraKalk

climate neutral. The lime and cement industry accounts for approximately 8 % of the world's CO₂ emissions and is one of the industries where CO₂ capture is necessary to achieve the climate goals. The first phase of the collaboration is to assess an industrial demo plant for carbon capture at NorFraKalk's lime kiln in Verdal Industrial Park. The ongoing study will pave the way for the capture of 10,000 tonnes of CO₂ per year to prove that our solution works in quicklime production.

Beyond plans to deliver our first commercial units, we continue to engage partners to close the gaps in efficient CCUS pathways, while we in parallel continue to foster disruptive technology. We look forward to report on the forthcoming developments through 2024!

We are privileged

Ocean GeoLoop is established by and builds upon a set of patents and solutions provided by the company's founder, Hans Gude Gudesen. Even more important is his active involvement to further invent novel solutions and strategies, beyond those possessed by pure-play carbon capture companies.

Access to energy is probably the biggest barrier for large-scale introduction of carbon capture and our ambition is to develop energy solutions making carbon capture independent of access to electricity from the grid. Ocean GeoLoop uphold the ambition to demonstrate the e-Loop technology as an embedded electricity generating unit within the carbon capture system. It is bold, but probably a necessary ambition to get the required pace towards decarbonization of existing industries. We have taken important steps in 2023 and will continue the work in 2024. Our subsidiaries Energi Teknikk AS and Ocean TuniCell AS, provides competence, capacity and synergies to succeed, and we expect critical milestones to be reached in the year ahead.

The future is promising

Ocean GeoLoop is well positioned and aims to become an internationally leading CCUS company in a rapidly expanding carbon market. Our technological basis, world-class test facilities, organizational setup, and our strategic and targeted market entrance is the beginning. Success in the planned stacked commercial projects provides an efficient platform for the subsequent stage of international scaling.

Gratitude and optimism

We are grateful for the support we received during



the early stages of our journey. As we navigate through 2024 and onwards, Ocean GeoLoop remains committed to a "show, don't tell" policy. Our technologies, built on innovation and sustainability, will play a central role in helping companies and countries around the world achieve their net zero goals. I'm proud of the hard and diligent work the Ocean GeoLoop team puts in to realize these groundbreaking achievements, and grateful for the open attitude from numerous people that support the daily operations.

We look forward to bringing commercial solutions to the market based on our one-of-a-kind technology. Thank you for taking part of our story.

Sincerely,

A handwritten signature in black ink that reads "Odd-Geir Lademo". The signature is written in a cursive, slightly stylized font.

Odd-Geir Lademo
CEO of Ocean GeoLoop

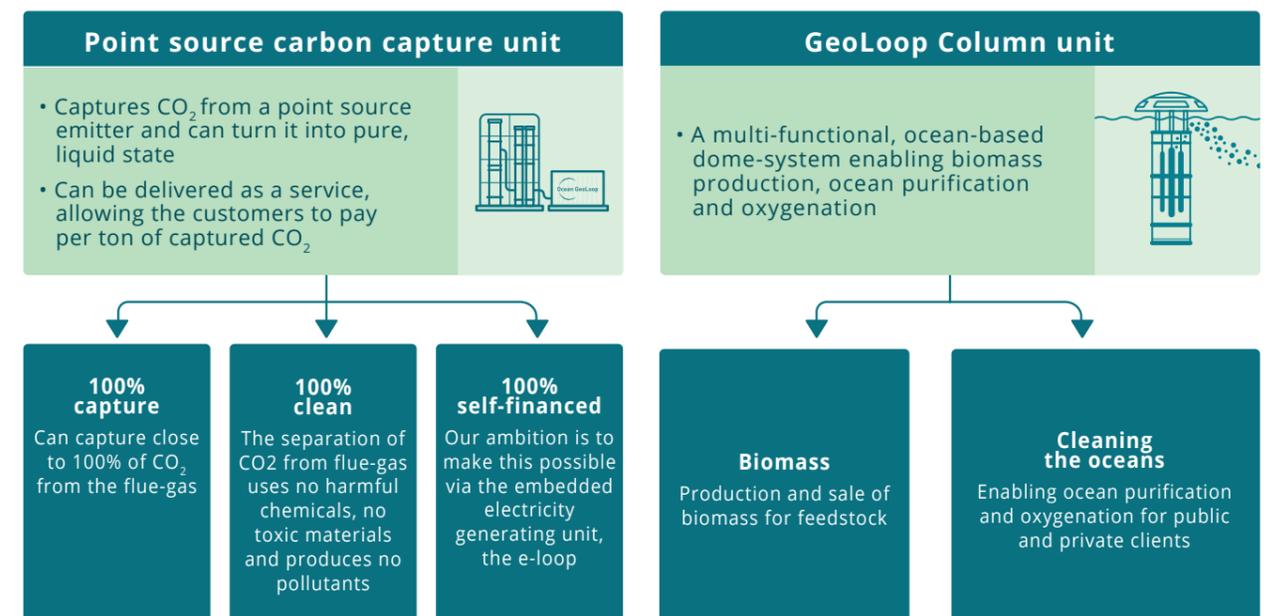
We push for technologies that can be used with attractiveness everywhere.

Ocean GeoLoop has been established to industrialize disruptive green technology. The technology is developed by and through Hans Gude Gudesen and his research and development project (the "Project Ocean"). It's addressing the challenges related to global warming and climate change, and in particular the important role of the world's oceans in this context. The technology represents more than 15 years of basic and applied research within a range of fields, involving a significant number of collaborating national and international scientists and R&D institutions.

GeoLoop Carbon Capture

The key features of our point source carbon capture solution, demonstrated by piloting at Norske Skog Skogn are:

- ✓ **Clean and green**
 The carbon capture and separation process is done without toxins, amines and other harmful chemicals providing HSE friendly operations.
- ✓ **End of pipe solution**
 The "plug in solution" is easily integrated with the emitter, connecting directly into the chimney. This low complexity provides large savings compared to other carbon capture solutions.
- ✓ **Universal non-toxic absorption technology**
 The robust process is designed to handle all flue gasses with minimal needs for special adoptions.
- ✓ **Highly stable and safe operations**
 A robust and low risk process combined with minimal need for human interaction gives highly safe and stable operations.
- ✓ **Fully autonomous operations**
 The capture plant is fully automated and can be remotely monitored allowing operations to be run without manual intervention.



Ocean GeoLoop's technology strategy

Ocean GeoLoop's overall technology strategy is to deliver disruptive technology to the market making carbon capture applicable in industries that today have demanding conditions for establishing this as a solution for decarbonization. In other words, we push for technologies that can be used with attractiveness everywhere.

Ocean GeoLoop's baseline technology is an all-electric technology for CO₂ separation. Such an approach poses numerous advantages,

directly enabling CO₂ capture for the many emission points without waste energy. The disruptive part is the planned embedded electricity generation technology, the e-Loop. Successful proof of this technology would support the capture process, thus making CO₂ capture possible in areas and regions where there is currently lack of power. Further, access to electricity provides the basis for efficient utilization of CO₂ through a variety of existing or emerging utilization technologies as illustrated below.



Go-to-market strategy

We pursue a selected number of industrial targets, representing global industry segments with large market potential.

Ocean GeoLoop emphasizes collaboration and strategic partnerships as a means of rapid industrial scaling. The company pursues a selected number of industrial targets, representing global industry segments with large market potential. Such a network model allows for rapid scaling in the global markets, both through strong international presence of the targeted customer cases, through Chevron New Energies as a global reach partner, through our EPC partners, and indirect marketing through our R&D network.



Norske Skog Skogn

Yara Norge

Franzefoss Minerals



Hanne Markussen Eek
CEO of Franzefoss Minerals AS
and chairman of NorFraKalk AS

"Franzefoss Minerals AS and its subsidiaries Verdalskalk AS and NorFraKalk AS aim to contribute to the achievement of the national targets for reductions in emissions of greenhouse gases. To achieve this, CO₂ capture must be introduced at the group's lime kilns.

The most mature solution for CO₂ capture is based on amine technology. It is such a facility that is being installed at Norcem Brevik AS. This type of technology is not suitable for our facilities as it requires a lot of thermal energy, which we do not have available.

We want to contribute to developing the most energy-efficient and environmentally friendly technology possible, which is also suitable for capturing CO₂ at our lime kilns. This is the background for our partnership with Ocean GeoLoop. We have a common goal to execute testing of Ocean GeoLoop's technology at NorFraKalk AS in 2024."



Yara Norge

Ole-Jacob Siljan
Plant Manager Yara Norge AS

"Yara AS has high climate ambitions and has reduced its greenhouse gas emissions by 45% since 2005 and has further ambitions of being climate neutral by 2050.* Yara AS and OGL has entered into an agreement to investigate with the intention to start developing CCUS solutions with the goal of generating profitable value chains for CO₂ based on OGL's safe, environmentally friendly and industrially robust technology. Our partnership with OGL and Chevron New Energies is energizing and we will continue to jointly explore how to benefit from OGL's technology."

Norðurál

Gunnar Guðlaugsson
CEO of Norðurál EHF

"Norðurál's aluminum product Natur-Al™, has direct CO₂ levels below two tons CO₂ per ton of aluminum – one of the lowest CO₂ footprints in the business. The aluminum industry is one of the most demanding industrial segments for carbon capture, with very low CO₂ concentration in the flue gas. A successful carbon capture solution will bring us closer to true carbon neutrality. Together with Ocean GeoLoop we will conduct a joint study on our complex flue gases and operational conditions at Ocean GeoLoop's facilities at SINTEF in Trondheim and at Skogn. A natural next step is to implement a project

for CO₂ capture at our plant at Grundartangi.

The collaboration with Ocean GeoLoop has opened up new ideas and solutions to complex challenges. Building on their network of exciting new partners such as Hans Gude Gudesen, SINTEF and Chevron New Energies, is also of interest to Norðurál's parent company Century Aluminum, which has a strong focus on reducing its carbon footprint also at its USA plants."



Norske Skog Skogn

Håvard Busklein
Managing Director Norske Skog Skogn AS

"As an integral part of the business strategy, Norske Skog Group is committed to reach net zero greenhouse gas emissions by 2050. We share Ocean GeoLoops ambition to develop an efficient system to capture, use and/or store our biogenic CO₂ emissions. So far, the partnership with Ocean GeoLoop has resulted in an exciting biogenic carbon capture project by bringing R&D and industry companies together. Norske Skog Skogn AS will going forward create green value from our fibre- and energy processes including biogenic CO₂."

Chevron New Energies



Chevron Inc., owner of Chevron New Energies, has a 5% ownership position in Ocean GeoLoop and their website states "Innovative solutions are needed to help address climate change and the world's complex energy challenges. We are collaborating in new ways with extensive capabilities and partnerships to help deliver scalable solutions with measurable impact. Our goal is to help customers meet their lower carbon ambitions and reduce the carbon intensity of our operations". Building on Chevron's long history of supporting innovation, the company invested to explore ways to develop and commercialize Ocean GeoLoop's carbon capture and storage technology.

Chevron New Energies takes an active, collaborative position working closely with Ocean GeoLoop, partners and customers to understand and address complex, lower carbon business opportunities. The Chevron New Energies leadership is on a mission to accelerate progress to a lower carbon future and help customers and partners do the same. Carbon capture, utilization, and storage (CCUS) is a critical enabler of global net zero. By partnering with Chevron New Energies, Ocean GeoLoop will boost its capacity and international reach on the path to commercializing the company's technology.

KC Littlefield
General Manager of Technology Commercialization in Carbon Capture, Utilization, and Storage, Chevron New Energies.

"Chevron has decades of operational experience and a proven track record of carbon-capture projects. We are deploying CCUS technologies and investing in the CCUS value chain to lower the carbon intensity of our existing assets while also helping reduce emissions of other essential industries that enable modern society. Developing activity in Norway successfully will be a steppingstone for further global reach for this technology. Chevron brings our experience and capacity to the Ocean GeoLoop partnership. By scoping opportunities and advancing technology together with OGL's other partners, we can progress CCUS as a critical solution to climate change faster."



Some highlights from 2023

Developing strong collaboration with EPC partners and recruitment of personnel has strengthened our execution capacity.

During 2023 the company intensified the work on commercial carbon capture projects with industrial partners. Developing strong collaboration with EPC partners and recruitment of personnel has strengthened our execution capacity.

The development program yields solid results. We are maturing the technology into commercial solutions based on the data from the autonomous pilot plant at Skogn, the scaled unit at SINTEF's CO₂ lab and our digital process model, in collaboration with industrial partners.

Ocean GeoLoop is progressing the development of our next generation carbon capture offering in line with our technology strategy.

The Norske Skog Skogn Industry pilot

August 2023 Ocean GeoLoop reached an important milestone as the industrial pilot at Norske Skog Skogn passed 3,000 hours of robust, stable, autonomous, and safe operations.

The pilot has shown stable operations under various conditions including handling planned and unplanned stops in the delivery of flue gas.

Key innovations demonstrated at the Norske Skog Skogn industry pilot includes simplified and cost-effective integration to the emitter, the utilization of a 100 % clean absorbent that prioritizes human and environmental safety, and all-electric operation without the need for residual heat.



The Ocean GeoLoop Carbon Capture test facility in Trondheim

During the first half of 2023 we commissioned a scaled test-rig for Ocean GeoLoop's carbon capture technology at SINTEF's CO₂ lab in Trondheim. The installation is an agile test and optimization tool, and our development capacity is further increased through access to SINTEF's expertise within carbon capture.

The installation offers a high degree of flexibility to evaluate a range of parameters and operating conditions. Customers can test the Ocean GeoLoop carbon capture solution on their specific flue gas composition and related operating conditions in a time-saving and cost-effective way and have the opportunity to be physically present at the facility.



The 27-meter high test facility enables cost-effective and time saving test campaigns for customers for optimizing Ocean GeoLoop's carbon capture solutions for customers.

Some highlights from 2023

Building capacity and strength



During three years of operation, the company has succeeded in building an efficient staff with extensive experience from industry, innovation, R&D and finance. These are highly motivated and dedicated people with a large network and who identify with Ocean GeoLoop's way of working in strong and wide networks of different players.

Ocean GeoLoop is pleased to have attracted more talents during 2023 strengthening the organization with solid expertise in amongst other process and chemical engineering. We have continued to develop our industrial partnerships with emitters and in parallel

strengthened our delivery capacity through collaboration with EPC providers Inrigo AS and Carbon Circle AS. Together with our internal carbon capture team, we possess a strong organizational capacity for further development and commercialization of the company's carbon capture technology.

Ocean GeoLoop is actively engaged in clusters and industrial environments that are pioneering environments in decarbonization. In 2023 this engagement has focused on Herøya Industrial Park and the industrial clusters in Mid-Norway.

The e-Loop development

Access to energy is one of the major barriers in the decarbonization of the industrial sector around the world. Ocean GeoLoop stays determined and focused to progress the embedded electricity unit, the e-Loop, to power the carbon capture process. The technology inventor and company founder, Hans Gude Gudesen, is the central resource in the work, while the company has exclusive rights in using the technology for CCUS purposes.

Two main pathways are being pursued: a version relying on thermal contrasts, and a version being independent of temperature. The company has earlier communicated plans to build a first pilot at Skogn within Q1 2024 but has chosen to document and explore both pathways before the final investment decision is being made. The design basis is in place for the version relying on thermal contrasts, while experimental prototyping has been initiated

for the version being independent of temperature. In parallel, the company is evaluating the location of the pilot installation. The recent developments excite us, motivated by the increasingly uncertain local, regional and global energy situation, and we plan for speed in the further progress.

Maturing the GeoLoop Column

The challenging situation in the eutrophicated Oslofjord is still considered to be a potential entrance point in bringing the GeoLoop Column to the market. In 2023 the company engaged in establishing a Joint Stakeholder Initiative to progress the commercialization of the Column.

Ocean GeoLoop in the spotlight

During Industriuka (The Industry Week) in Porsgrunn Ocean GeoLoop received the "Powered by Telemark award". The award honored Ocean GeoLoop's contribution to the collaborative culture, and the company's work with Yara. The chairman of the board of the Powered by Telemark cluster, Jarann Wold Pettersen, stated: "We believe the company is an excellent example of what the region desires - both in terms of their contribution to the culture of collaboration and the problems they dare to tackle in new ways."

Since 2021 Ocean GeoLoop's engagement and presence at Herøya Industry Park and in the Grenland region has been unwavering.



Signing of contract

Subsequent to 2023 Ocean GeoLoop was in January 2024 awarded a feasibility study with lime producer NorFraKalk. The first phase of the collaboration is to assess an industrial demo plant for carbon capture at NorFraKalk's lime kiln in Verdal Industrial Park. The study will pave the way for capture of 10,000 tonnes per annum of a total annual emission of 200,000 tonnes CO₂. This will prove that the solution works in quicklime production, an important industry segment where Ocean GeoLoop's electrically driven capture process has strong competitive advantages.

Board of Directors

Anders Onarheim
Chairman



Anders Onarheim is the Chair of the Board of Directors of the Company. He has more than 30 years' experience from the international capital markets, including 5 years with Goldman Sachs in London and 5 years with Merrill Lynch in New York and London and CEO of Carnegie ASA for 16 years. He has broad experience from board positions in listed companies, and is currently Chairman of the board at North Energy ASA and board member of Reach Subsea ASA. Mr. Onarheim was CEO of BW LPG, a leading shipowner and operator of liquid petroleum gas carriers, up until September 2023. Onarheim holds a BSBA and an MBA from Washington University of St. Louis and graduated in 1986.

Martha Kold Monclair
Board member



Martha Kold Monclair is the founder and managing partner of MKOLD AS and a non-executive director of the public listed companies, Hexagon Purus ASA, Reach Subsea ASA, Edda Wind ASA as well as CapeOmega AS and BW LPG Ltd. Monclair has extensive experience in strategy and business development, and a broad academic background with a doctor's degree in both technical and business strategical subjects. She holds a PhD from the Norwegian University of Science and Technology (NTNU) and a Doctorate in Economics from BI Norwegian Business School. Monclair has served two years as Chief Executive Officer of Steinsvik Group and ten years as Chief Executive Officer of DeepWell AS.

Lars P. Sørvaag Sperre
Board member



Mr. Sperre works as an independent advisor with projects related to industrialization and capitalization and he serves as director in various green, growth companies. Mr. Sperre has a 17 years career with the Norske Skog group, where he gained extensive experience from international industrial operations and international development projects and large capital projects. Mr. Sperre also has extensive experience with international capital markets and M&A activities. Norske Skog is a leading international paper producer with head office in Oslo and is listed on the Oslo Stock Exchange. In Norske Skog, he served as Senior Vice President Corporate Strategy from December 2014 to October 2023. In the period from May 2017 to December 2018, Mr. Sperre served as Norske Skog ASA's President and Chief Executive Officer. From 2007 to 2014 he was responsible for the group's legal services in the role as Vice President Legal. Prior to this, Mr. Sperre worked as a lawyer at the Norwegian law firm Wikborg Rein Advokatfirma AS in Oslo. Mr. Sperre graduated from the University of Bergen with a Cand. Jur. degree in 2002 and obtained his bar practicing certificate in 2005.

Maren Hjort Bauer
Board member



Maren Hjorth Bauer is an active investor, board member and advisor in the blue economy through her private investment company Fynd. She has played a key role in building a global ecosystem for blue economy startups globally. Bauer has invested into and supported 30+ blue economy startups with strategy, business development and fundraising leveraging her global network. She is the co-founder and former CEO of Katapult Ocean, Co-chair Seaweed for Europe, part of a working group for the UN Ocean Decade and advisor to several venture funds. Bauer has more than 15 years experience with background from McKinsey, Wallenius Wilhelmsen and Orkla. She holds a MSc from London School of Economics and a Bachelor from the Norwegian School of Economics.

Ole Rogstad Jørstad
Board member



In addition to being a member of the Company's board of directors, Ole Rogstad Jørstad is the current CEO of his own investing company, K4 Invest AS. Since commencing his first job with KPMG, he has held several administrative roles in notable companies such as NOTAR, Veidekke Real Estate division (Startbo) and others. As per date, he is also the Chairman of several companies in Trøndelag, including, inter alia, the ELMAN Group. Currently he is also a member of the executive committee in The Norwegian Olympic and Paralympic Committee and Confederation of Sport (NIF). Mr. Jørstad has educational background from, among other, the Oslo Metropolitan University in Norway.

Morten Platou
Board member



Morten Platou is currently a partner at the top-tier Scandinavian law firm Advokatfirmaet Schjødt AS and is a specialist in the law firm's tax and capital markets department. Mr. Platou has over 10 years of experience practicing as a lawyer, and advises clients on a regular basis on tax and corporate matters related to M&A transactions, restructurings and management incentive plans. By virtue of Platou's extensive legal experience, he is also particularly trained in client management and relationship building. Mr. Platou holds a double Masters of Law degree from the University of Oslo in Norway and Georgetown University in Washington D.C., in addition to his business and administration degree from BI Norwegian Business School in Oslo, Norway.

Management

Odd-Geir Lademo
Chief Executive Officer



Odd-Geir Lademo has more than 25 years of experience in SINTEF and the Norwegian University of Science and Technology (NTNU). He has also worked as a Research Manager in Department of Materials and nanotechnology in SINTEF Industry. Additionally, Lademo has held a position as Adjunct Professor at NTNU. Lademo has broad national and international R&D and industry networks and has been member in the core team of the well-ranked research centers, SFI SIMLab and SFI CASA. He holds an M.Sc. and PhD from Department of Structural Engineering, NTNU.

Viggo Iversen
Chief Operating Officer



Viggo Iversen has extensive renewable energy experience from NVE, Enova SF and Proneo, both nationally and internationally. Iversen has served in several leadership and board positions since 2007. From 2014, Iversen managed Proneo's advisory business providing business development and innovation services to over 40 companies annually. Iversen holds a Cand. Agric. in Resource Economics from the Norwegian University of Life Sciences.

Lars Strøm
Chief Project Officer



Lars Strøm has more than 20 years' experience in the chemical and process industries from Borregaard, Norske Skog, NorFraKalk and Aibel. He has leadership experience in international process and product development, and holds a degree in Chemical and Process Engineering from the University of Surrey, UK, and an MBA from Griffith University in Australia.

Jan Arne Berg
Chief Construction Officer



Jan Arne Berg has over 30 years' experience in the oil & gas industry. Further, Berg is a former General Manager of Aker/ Kværner Piping Technology – a prominent product- and technology company and Vice President at Kværner in Verdal. Berg has a broad skill set in business development, sales & marketing, management and construction management. Berg also enjoys an extensive network and has pronounced relationship-building skills, which is particularly valuable in his company role. Jan Arne Berg holds a B.Sc. in Mechanical Engineering from the Trondheim College of Engineering.

Maria Hosen
Chief Financial Officer



Maria Hosen has 18 years experience in auditing, accounting and operational management from PricewaterhouseCoopers AS, Selvaag Bolig ASA, Western Bulk Chartering AS and Mestergruppen AS. Maria Hosen holds both an M.Sc in Economics, an M.Sc in Accounting from the Norwegian School of Economics and Business Administration and the title Certified Public Accountant.

Carlos J. Delgado
Chief Technology Officer



Carlos Javier Delgado began his career with Schlumberger, the world leading supplier to the oil and gas industry. For 16 years he held positions as field engineer, business development and management across in South America, West Africa and the North Sea. During this period, he served as manager of drilling operations in high volume markets as well as in an engineering and manufacturing center of novel drilling equipment. Delgado is graduated in electronic engineering.

Ove Lande
Chief Commercial Officer



Ove Lande has 15 years' experience in investment management and capital markets from Skeie Alpha Invest and Terra Securities. As such, Ove Lande has acquired an overview and understanding of multiple industry sectors. Moreover, Lande has experience as a former Senior Consultant at BearingPoint. He holds an M.Sc. in Financial from The Norwegian School of Economics and Business Administration.

Board of Directors' Report

Overview

Ocean GeoLoop is a private limited liability company incorporated and domiciled in Norway. The Company was incorporated in Norway on 20 January 2020. The Company's registered address is Neptunvegen 6, 7652 Verdal, Norway.

The Company has been established to industrialize disruptive green technologies. The main technologies are developed by and through Hans Gude Gudesen and his research and development project (the "Project Ocean"), addressing the challenges related to global warming and climate change, and particularly the important role of the world's oceans in this context. The technologies represent more than 15 years of basic and applied research within a range of fields, involving a significant number of collaborating, national and international, scientists and R&D institutions. The Company approaches man-made emissions as misplaced resources. This means that man-made emissions can be considered as valuable sources of revenue which represents business opportunities, rather than expenses and challenging problems. The Company's solutions are designed to assist nature's rebalancing, using nature's own processes.

Highlights

- **August:** Successful 3000-hour carbon capture operation milestone. The long-term testing of the carbon capture pilot at Norske Skog Skogn provided further proof that the carbon capture

technology is highly robust at industrial scale and conditions. The pilot showed solid performance related to industrial robustness, including autonomous operation over extended periods.

- **June:** Established an agile test- and optimization facility at SINTEF's premises in Trondheim, Norway, enabling a high degree of flexibility to evaluate a range of parameters and operating conditions.
- **March:** Our long-term collaboration with industrial partners in the Grenland and Herøya region, Norway, was recognized by the industry cluster Powered by Telemark. The Yara – Ocean GeoLoop cooperation received the "Powered by Telemark award". The award honored Ocean GeoLoop's contribution to the collaborative culture to solve a challenge, and the work with Yara International.

Subsequent

- **January 2024:** Awarded feasibility study for a demo plant for carbon capture at NorFraKalk at their lime kiln in Verdal Industrial Park. The plant currently emits around 200,000 tonnes of CO₂ per year. The demo plant, which will now be assessed, will capture 10,000 tonnes of CO₂, to prove that the solution works in quicklime production.

Organization, Equality and Work Environment

Of the parent company's 14 employees, there are

two women. Of the Group's 47 employees, there are 8 women. The board of directors consists of 4 men and 2 women. The board will always strive for the best possible gender balance and work for diversity within the company.

The Group is actively working to reduce sick leave and improve its working environment. During the year, no serious accidents or injuries have been reported. Total leave of absence due to illness in the parent company equals 3,5% (7.6% in 2022).

No incidents or work-related accidents, resulting in significant material damage or personal injury, have occurred during the year.

The working environment is considered to be good, and efforts for improvements are made on an ongoing basis.

In 2023, the company has established an ESG task force consisting of members from the company's board and management. The mission of the ESG task force is to ensure targeted efforts on material sustainability topics, and make sure that Ocean GeoLoop is reporting in accordance with relevant sustainability frameworks. In the first half of 2024, the task force has conducted systematic stakeholder dialogue with key stakeholders, which will form the basis of the company's double materiality assessment (in line with the Corporate Sustainability Reporting Directive (CSRD) requirements). The goal is to identify our actual and potential impact and evaluate risks and opportunities.

In compliance with The Norwegian Transparency Act a publication of the statement has been made available on the parent company's website.

Environment

As a result of the aggravated climate change, substantial efforts and resources have in the last decades been spent on combatting global warming and climate crisis. One of the biggest events is the Paris Agreement, which is a global framework to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to

1.5°C. To reach the ambitious CO₂ emission reduction targets as laid out in the Paris Agreement, the global energy systems are reliant on three main measures: energy efficiency, renewable energy and carbon capture utilization and storage. Carbon capture is considered by many to be essential to meet the target reduction from the Paris Agreement.

The parent company has introduced the GeoLoop CC technology that captures point source CO₂ emissions, using natural and harmless processes. In 2024 the company will pilot test the e-Loop, a new technology for electricity production. The GeoLoop CC and the e-Loop can help companies and countries to reach their goals of reduced emissions and to get access to renewable electricity for the green transition.

The parent company and its subsidiaries do not pollute the external environment.

Financial Review

The Group's revenues were NOK 172 853 613, an increase from NOK 128 093 923 in 2022, mainly driven by revenue from construction – and service contracts performed by Energi Teknikk.

Since its inception, the parent company has had significant development costs. This is linked to the development and piloting of the company's technologies. Costs are related to external R&D competence and capacity, physical constructions and installations, and internal costs.

During 2023 research and development costs amounted to NOK 28 865 386. Expenditure on development is recognized in the balance sheet to the extent a future financial benefit can be identified associated with an identifiable intangible asset and the expenditure can be measured reliably.

Further development of the technologies both in terms of design, efficiency and costs will continue to be a priority. To the extent possible, this will be done in cooperation with industry partners, to ensure relevance and to shorten the way to commercial activity on the basis of Ocean GeoLoop's technologies.

Negative cash flow from operating activities was NOK 34 758 796 in 2023, and the operating loss

constituted NOK 47 385 716. The difference mainly concerns ordinary depreciation and effects from business combinations.

The Group's capital investments during 2023 amounted to NOK 29 875 481, of which NOK 27 580 964 reflects capitalized development costs related to Ocean GeoLoop's pilot units. The Group's liquidity reserve as of 31.12.2023 amounted to NOK 114 282 456. The Group's ability to self-finance investments is good.

The Group's financial position is sound and adequate to settle short-term debt as of 31.12.2023 with the Group's most liquid assets.

Total assets at year-end amounted to NOK 307 411 359, compared to NOK 363 201 873 last year. The equity ratio was 77 % as of 31.12.2023, compared to 77 % the year before.

Negative cash flow effect from financing activities was 913 962 NOK, which in majority relates to downpayment in bank overdraft.

The board believes that the annual accounts give a true and fair view of the parent company and group's assets, liabilities, financial position and result.

Allocation of net loss and dividends

Allocation of net loss and dividends Ocean GeoLoop AS has a net loss of NOK 28 894 977 from January 1 to December 31 2023.

The Board of Directors propose the net loss to be allocated to loss brought forward.

Risks

The company's business activities entail exposure to various types of risk. Ocean GeoLoop proactively manages such risks, and the board of directors regularly analyses its operations and potential risk factors and takes steps to reduce risk exposure.

Ocean GeoLoop places a strong emphasis on quality assurance and has quality systems implemented, or under implementation, in line with the requirements applicable to its business operations.

The key risks associated with the company, include:

- **Financial risks:** In connection with commercialization of the company's business, it may require large amounts of capital in the future to adequately pursue its business plan and may require further additional capital due to unforeseen liabilities, delayed or failed technical or commercial launch of its products or in order for it to take advantage of opportunities that may be presented to it. Adequate sources of capital funding may not be available when needed or may not be available on favourable terms. If the company raises additional funds by issuing additional equity securities, holdings and voting interests of existing shareholders could be diluted. If funding is insufficient at any time in the future, the company may be unable to fund maintenance requirements and acquisitions, further tests and development of its technology, take advantage of business opportunities or respond to competitive pressures, any of which could adversely impact the company's financial condition and results of operations.

- **Market risks:** The company competes in markets that are new, largely unexplored and rapidly changing. As of today, in the company's view, no known competitor has access to the same carbon capture technology. Further, the company's carbon capture technology has been developed through years of research, and the process is time consuming and likely difficult to replicate. Nevertheless, no assurance can be made that no similar solutions may be sold or delivered by a competitor, which may have a significant adverse impact on the company's competitive position and earnings. Further, the company face competition from other providers of carbon capture and/or similar solutions/technologies. The company may experience increased competition from current and potential competitors, some of which may be better established and have significantly greater financial, technical, marketing and distribution resources. Any materialization of these risks may have material adverse effects on the company's business, future revenues and scaling and commercialization plans.

- **Credit risks:** The company has currently no interest-bearing debt, and a solid financial position to implement the strategy at this stage of the company's development. When moving into growth and

commercialization, the company may consider debt as a part of the financial profile, but Ocean GeoLoop cannot provide assurances that debt will be available for the company, or to what extent external debt financing will be relevant.

- **Liquidity risks:** The company has a solid cash position and no interest-bearing debt, and short-term liquidity risk is considered low.

Generally, the company provides a risk overview based on three categories:

- Risks related to the business and the industry
- Risks related to laws, legislation and regulations
- Financial risks

The completed overview of the risks is presented in the Information Document dated 8 March 2022, and is presented on the company's investor relations website.

Directors & Officers Liability Insurance

Ocean GeoLoop Group maintains a Directors & Officers liability insurance issued by Tryg Forsikring AS and Ryan Speciality Nordics AB which covers subsidiaries owned or controlled by Ocean GeoLoop AS. The insurance indemnifies directors and officers for defence costs and incurred legal liability arising out of claims made against them for actual or alleged acts or omissions while serving on a board of directors and/or as an officer. The insurance renews annually and covers claims made in relation to civil claims, employment practices, regulatory investigations and proceedings, criminal proceedings and the company's securities.

Going Concern

In accordance with §3-3a of the Norwegian Accounting Act, the Board confirms that the financial statements have been prepared under the assumption of going concern. The assumption is based on estimates and expectations for 2024 and the group's long-term strategy.

Ownership Structure

As of 31.12.2023 Ocean GeoLoop AS is listed on Euronext Growth Oslo, with 553 shareholders. Hans Gude Gudesen controls about 55 % of the shares.

Outlook

Ocean GeoLoop has continuously worked with determination to establish partnerships with strategically important industry players linked to the company's technical and commercial strategies. The fertilizer company Yara, the mineral company Franzefoss Minerals and their associated company NorFraKalk, the pulp & paper producer Norske Skog, and the aluminum producer Nordural represents a range of industries and emission sources with extensive market potential. Each on their own they bring ambitious climate targets to the table and bring opportunities for both utilization and storage of CO₂. The company has continued to build on the partnership with Chevron, leveraging their market insight to strengthen both our technical and commercial development. These partners international presence represent a global reach for Ocean GeoLoop's solutions.

Ocean GeoLoop has systematically strengthened its supply chain capacity through strategic partnerships with EPC partners Inrigo AS and Carbon Circle AS during 2023.

Through our majority position in Energi Teknikk AS, Ocean GeoLoop sees clear synergies for development of the next generation carbon capture technology including the e-Loop technology. As the main shareholder of Ocean Tunicell, Ocean GeoLoop has access to highly skilled personnel within marine biology and low-trophic ecosystems, and with relevant experience within production and processing of the sea animal tunicates. Of particular importance to Ocean GeoLoop is the enabling technology in nanofibrillated cellulose that Ocean TuniCell extracts from the tunic of this animal. In this way Ocean GeoLoop equips itself with partners and capacity to take the next steps in the company's commercial roadmap.

The market outlook for Ocean GeoLoop's technologies is bright. The European Union (EU) has set ambitious climate targets aimed at reducing greenhouse gas (GHG) emissions to combat climate change. The EU's target of at least 55% reduction in GHG emissions by 2030 compared to 1990 levels, stimulates a demand for carbon capture solutions. In the United States, the Inflation Reduction Act (IRA) from 2022 is coming into full force. This legislative package will contribute to a

green transition and emission cuts in the USA over a 10-year period due to its significant subsidies. The IRA is described by several as a turning point for the green transition. COP28 reiterated the focus on technology development and implementation as key to achieving climate policy targets.

The introduction of new climate technology will thus be of great importance in reaching ambitious global climate goals as the industry experiences barriers linked to available carbon capture solutions today, such as:

- High cost
- Energy cost and availability
- Integration costs for emitters at existing plants
- HSE concerns
- Robustness of solutions
- Non-existing or immature CCUS value chains

The company provides the following high level 2024 guidance for its commercial rollout:

GeoLoop Carbon Capture

- Execution of joint study with NorFraKalk for carbon capture at their quicklime facility in Verdal, Norway. The study will generate the knowledge basis for scale-up to an industrial demo plant in a hard to abate industry, where other carbon

capture technologies fall short due to lack of residual heat.

- Commercial customer campaigns run at our established experimental test facilities. These installations allow rapid experimental simulation of customer's flue gas composition and operating conditions.
- Further feasibility studies with targeted industrial partners.
- The above activities put Ocean GeoLoop in the position to contract deliveries of carbon capture facilities for targeted industrial partners and other other incoming customer cases.

e-Loop

- Construction and testing of an e-Loop pilot, with purpose to power the company's carbon capture offerings, lowering the costs and increasing the attractiveness of industrial CCUS-projects.

GeoLoop Column

- Upholding the ambition to contribute to a joint stakeholder initiative with purpose to showcase, mature and document the GeoLoop Column as a possible commercial solution to the national challenge with the eutrophicated Oslo Fjord.

Verdal, 13 Mars 2024

Anders Onarheim

Anders Onarheim
Chairman of the Board

Morten Platou

Morten Platou
Board member

Maren Hjortli Bauer

Maren Hjortli Bauer
Board member

Martha Kold Monclair

Martha Kold Monclair
Board member

Ole Rogstad Jørstad

Ole Rogstad Jørstad
Board member

Lars-Peder Sønvaag Sperre

Lars Sperre
Board member

Odd-Geir Lademo

Odd-Geir Lademo
CEO

Financial statement

INCOME STATEMENT PARENT COMPANY AND CONSOLIDATED INCOME STATEMENT

Amount in NOK 1000						
Ocean GeoLoop AS			Ocean GeoLoop Group			
2023	2022	Notes	Notes	2023	2022	
REVENUE						
-	-	2		169 835	128 143	
221	50	2		3 018	-50	
221	50			172 854	128 093	
OPERATING EXPENSES						
-	-			113 500	103 305	
17 495	13 144	3, 4, 5	3, 4, 5	52 321	30 550	
6 425	3 915	6, 7	6, 7	19 470	20 206	
11 866	25 739	3, 4	3, 4	34 948	26 504	
35 785	42 798			220 239	180 565	
-35 564	-42 748			-47 386	-52 472	
FINANCIAL INCOME AND EXPENSE						
-	-			38	-	
748	-			-	-	
6 387	29			6 126	210	
-466	-43			-9 739	-1 658	
6 669	-14	8	8	-3 576	-1 449	
-28 895	-42 762			-50 961	-53 921	
-	-	9	9	-1 538	-2 193	
-28 895	-42 762			-49 423	-51 728	
Attributable to:						
-28 895	-42 762	10	10	-49 423	-51 728	
-28 895	-42 762			-49 423	-51 728	
-	-	10	10	-43 804	-48 120	
-	-	10	10	-5 619	-3 608	

BALANCE SHEET PARENT COMPANY AND CONSOLIDATED BALANCE SHEET

Amount in NOK 1000					
Ocean GeoLoop AS			Ocean GeoLoop Group		
2023	2022	Notes	Notes	2023	2022
NON CURRENT ASSETS					
Intangible assets					
3 567	1 556	6	6	55 039	59 870
-	-	6	6	8 220	11 352
3 567	1 556			63 259	71 223
Tangible assets					
263	224	7	7	4 694	4 392
52 111	33 923	7	7	56 989	27 264
5 914	4 995	7	7	9 629	21 286
58 287	39 142			71 312	52 942
Financial assets					
84 709	44 512	11	11	-	-
-	12 512	12	12	-	-
84 709	57 024			-	-
146 563	97 722			134 571	124 165
CURRENT ASSETS					
-	-		13	5 327	4 487
Receivables					
277	-			46 870	45 860
-	2 506	12	12	-	-
5 113	6 578			6 356	8 854
5 390	9 084			53 226	54 714
Investments					
-	-			5	5
-	-			5	5
106 319	174 182	14	14	114 282	179 831
111 709	183 266			172 840	239 036
258 271	280 988			307 411	363 202

BALANCE SHEET PARENT COMPANY AND CONSOLIDATED BALANCE SHEET

Amount in NOK 1000					
Ocean GeoLoop AS			Ocean GeoLoop Group		
2023	2022	Notes	Notes	2023	2022
EQUITY					
Owners equity					
527	527	10, 16	10, 16	527	527
363 494	363 494	10	10	363 494	363 494
-10 262	-16 101	10	10	-10 262	-16 101
353 759	347 921			353 759	347 921
Accumulated profits					
-116 344	-87 449	10	10	-145 734	-75 680
-	-			27 746	7 113
-116 344	-87 449			-117 988	-68 568
237 416	260 472			235 771	279 353
LIABILITIES					
Provisions					
-	-		9	9 023	10 604
11 687	7 000	17	17	11 687	7 000
11 687	7 000			20 710	17 604
Other non current liabilities					
-	-		18	2 615	2 427
-	-			2 615	2 427
Current liabilities					
-	-		18	-	914
3 134	9 985			23 690	39 907
-	-		9	12	4
533	1 426			9 438	6 789
5 502	2 105		19	15 176	16 205
9 169	13 516			48 316	63 819
20 856	20 516			71 641	83 849
258 271	280 988			307 411	363 202

Verdal, 13 Mars 2024

Anders Onarheim
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Chairman of the Board

Morten Platou
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Board member

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Lars Spørre
Board member

Odd-Geir Lademo
Odd-Geir Lademo
CEO

STATEMENT OF CASHFLOW PARENT COMPANY AND CONSOLIDATED STATEMENT OF CASHFLOW

Amount in NOK 1000					
Ocean GeoLoop AS			Ocean GeoLoop Group		
2023	2022	Notes	Notes	2023	2022
Cash flow from operating activities					
-28 895	-42 762			-50 961	-53 921
-	-	Profit/ (loss) before income taxes		-	-
6 425	3 915	Income tax payable		19 470	20 206
-3 156	3 859	Depreciation and amortisation expenses		-15 569	-37 021
-15 012	-2 119	Changes in inventories, accounts receivables and accounts payable		12 301	16 169
-40 638	-37 107	Net cash flow from operating activities		-34 759	-54 567
Cash flow from investing activities					
-27 581	-31 415	Purchase of intangible and tangible assets		-29 875	-31 529
-	-15 612	Net cash effect from business combination		-	-5 715
355	-12 512	Net purchase and proceeds from other investments		-	5
-27 225	-59 539	Net cash flow from investing activities		-29 875	-37 239
Cash flow from financing activities					
-	-	Proceeds from recent borrowings (long term and short term)		-	809
-	-	Changes in bank overdraft		-914	-
-	128 314	Equity issue		-	128 314
-	128 314	Net cash flow from financing activities		-914	129 123
-67 863	31 668	Net change in cash and cash equivalents		-65 548	37 317
174 182	142 515	Cash and cash equivalents at 01.01		179 831	142 515
106 319	174 182	Cash and cash equivalents at 31.12	14	114 282	179 831

NOTES TO THE ACCOUNTS

Notes Note 1 – Accounting Principles

The accounts have been prepared in accordance with the Accounting Act of 1998 and generally accepted accounting principles in Norway. The main accounting principles are described below. The annual accounts have been prepared on a going concern basis.

Reporting currency and functional currency

The company accounts are reported in NOK and the functional currency is also NOK.

Consolidation principles

Included in the Group is the parent company Ocean GeoLoop AS (the "Company") and companies where Ocean GeoLoop AS directly or indirectly has a majority of the voting capital. All intercompany balances and transactions between the companies have been eliminated in the consolidated accounts.

The cost price of shares and partnership shares are eliminated against the equity in the underlying companies at the time of purchase. Any excess of purchase consideration over fair value of assets and liabilities acquired is recorded as goodwill. Goodwill is not amortized. The accounts of foreign subsidiaries are kept in local currency. The Group's consolidated accounts are prepared based on uniform accounting principles.

Use of estimates

In accordance with generally accepted accounting principles, the Group's management must make estimates and assumptions that influence the value of assets and liabilities in the balance sheet and the amount of revenues and expenses included in the accounts during the accounting period. The actual figures may vary from these estimates.

When preparing the accounts, best estimates are used based on information available at the time the accounts are prepared.

Foreign currency

Monetary items, receivables and liabilities in the balance sheet denominated in other than NOK are recorded at the year-end exchange rates. Profit and loss items in foreign currency are recorded at exchange rates prevailing at the time of the transaction. Both realised and unrealised gains and losses are included under financial items in the profit and loss statement.

Revenue recognition

Income from sale of goods and services is recognized at the fair value of the consideration, net of deductions for VAT, returns and discounts.

Sales of goods are recognized as income when risk and control have essentially been transferred to the buyer. By risk is meant the asset's gain and loss potential, while control is defined as decision-making and right of disposal. Experience figures are used to estimate and account for provisions for quantity discounts and returns at the time of sale.

Sales of services are recognized as income as they are delivered. The share of sales revenue that relates to future service payments are entered in the balance sheet as unearned income at the time of sale and entered as income then in step with the delivery of the services.

Construction contracts

Work in progress linked to fixed-price contracts with a long lead time is recognized on an ongoing basis settlement method where revenue recognition takes place in step with the progress of the project. The degree of completion calculated as accrued costs as a percentage of the expected total cost. The total cost is continuously reassessed. When the outcome of the contract cannot be estimated reliably, only revenues corresponding incurred project costs will recognize as income. For projects that are assumed to result in a loss, the entire calculated loss is expensed immediately.

Classification of assets and liabilities

Assets intended for permanent ownership or use are classified as fixed assets. Fixed assets are valued at cost, less depreciation and impairment losses. Current assets and current liabilities include items that fall due within one year as well as items associated with the inventory cycle. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Long term liabilities are

recognised at nominal value. The first year's instalments on long-term receivables and long-term debt are nevertheless classified as current assets and short-term liabilities.

Intangible assets

Expenditure on development is recognized in the balance sheet to the extent a future financial benefit can be identified associated with an identifiable intangible asset and the expenditure can be measured reliably. In the opposite case such expenses are expensed on an ongoing basis. Capitalized development is depreciated linearly over its economic life.

Fixed assets

Fixed assets are entered on the balance sheet and depreciated on a straight-line basis to the residual value above the fixed asset's expected value useful life. In the event of a change in the depreciation plan, the effect is spread over the remaining depreciation period (the "breaking point method"). Expenditures for maintenance and repairs are charged to other expenses in the period incurred. Expenses or improvements is added to the asset's cost price and written off in line with the asset.

Plots are not depreciated. Assets under construction are not depreciated until completed and ready for their intended use.

Rented (leased) operating assets are entered on the balance sheet as operating assets if the lease is considered financial. Expenses for renting other operating assets are expensed as operational. Advance payments are entered in the balance sheet as a prepaid cost, and distributed over the rental period.

Impairment of intangible assets and investments

Impairment tests are carried out if there is an indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is carried out for the lowest level of fixed assets at which independent cash flows can be identified. If carrying amount is higher than the fair value less cost to sell and value in use (net present value of future use/ ownership), the asset is written down to the highest of fair value less cost to sell and the value in use. Previous write-downs, except for goodwill write-downs, are reversed if the basis for the write-down is no longer present.

Investment in subsidiaries and associated companies

Subsidiaries and investments in associates are valued by the cost method in the company accounts. The cost price is increased when funds are added in case of capital expansion, or when group contributions are given to subsidiaries.

Dividends/group contributions from subsidiaries are accounted for in the same year as the subsidiary makes a provision for the amount. Dividends from other companies is accounted for as financial income when the dividend has been approved.

Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down is no longer present.

Inventory

Stock of purchased goods is recognized at the lowest of acquisition cost according to the FIFO principle, and net sales value.

Acquisition costs for self-made finished goods and goods in progress are direct costs and a proportional share of indirect variable costs and fixed manufacturing costs. The proportion of fixed costs is limited to the proportion of normal capacity utilization. When calculating fair value is future sale price deducted selling costs and manufacturing costs incurred to bring goods in work in saleable condition.

Self-made finished goods are assessed at the lower of acquisition cost and fair value (net sales value)

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of

the different receivables.

Pensions

The company has a pension scheme for all employees, assessed as contribution plan. The pension scheme is financed through payments 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.

Income tax

The tax expense in the profit and loss accounts includes both taxes payable for the period and changes in deferred taxes. The change in deferred tax reflects changes in future liabilities and assets as a result of timing differences between the tax and the accounts. Deferred tax is the tax that relates to the accumulated result but is paid in a subsequent period. Deferred tax/deferred tax assets have been calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax asset is recorded only if the future utilisation is probable.

Deferred tax liabilities/deferred tax assets is recorded on a net basis.

Share based compensation

The Company provides incentives to employees in the form of equity-settled share-based instruments. Equity-settled share options are measured at fair value at grant date and recognised in the income statement under salary and personnel expenses over the period in which the final right of the options vest. The balancing item is recognised directly in equity. On initial recognition of share options,

the number of options expected to vest at expiry is estimated. Subsequently the estimated number of vested options is revised for changes, so that the total recognition is based on the actual number of vested options. The fair value of the options granted is estimated using the Black-Scholes model.

Cash flow statements

The cash flow statements are based on the indirect method. Cash and cash equivalents includes cash, bank deposits and other short-term, liquid investments which immediate and with insignificant exchange rate risk can be converted into known cash amounts and with a remaining term of less than three months from the date of acquisition. Restricted bank deposits are recorded as cash equivalents. Shares are considered to have a high price risk and are not classified as cash equivalents.

Changes in accounting principles

There are no material changes in the accounting principles for the periods presented.

Note 2 Revenue

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
By business area				
Construction contracts			104 464	95 870
Service contracts			64 900	32 273
Other	221	50	3 490	-50
Total	221	50	172 854	128 093
Geographical distribution				
Norway	221	50	172 854	128 093
Total	221	50	172 854	128 093

Note 3 Public grants

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
Public grants				
Innovation Norway	1 840	7 360	1 840	7 360
The Research Council of Norway	-	-	2 370	3 896
SkatteFUNN	4 750	3 861	4 750	3 861
Total	6 590	11 221	8 960	15 117

Ocean GeoLoop has received NOK 9.2 million in investment grants for project Carbon Capture Pilot from Innovation Norway Environmental technology scheme. The grant is received in equal part over the lifetime of the project, with NOK 1.8 in 2023. The grant is contingent of a progress in accordance with the agreement. The grant is recognised in P&L in accordance with the depreciation of the project investment.

Note 4 Salary and personnel costs, number of employees, loans to employees and auditor's fee

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
Salary and personnel costs				
Salaries	13 736	12 831	42 685	27 183
Payroll recognized in balance sheet	-7 048	-2 652	-7 048	-2 652
Payroll tax	2 522	1 925	6 576	3 704
Pension costs	1 078	874	2 695	2 008
Other benefits	1 369	165	1 576	308
Share based payments	5 839	-	5 839	-
Total	17 495	13 144	52 321	30 550

Average full-time employees	10	8	45	41
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Pension costs

The groups companies are liable to maintain an occupational pension scheme under the Mandatory Occupational Pension Act. The group's pension schemes satisfy the requirements of this act. The pension cost is presented in the table above.

Management remuneration

	Salary	Board remuneration	Pension costs	Other benefits	Total
Chief Executive Officer	2 563		135	-	2 698
Board of Directors		1447			1 447

The Chief Executive Officer has an agreement of three months salary in case of resignation.

Loans and guarantees to management and employees

No loans or guarantees have been provided to management or other employees.

Options to key employees

The Company has established a share option plan for key employees. The plan was approved by the Company's shareholders in an extraordinary general meeting held on 15 March 2021 and required (i) share options being split in three tranches with vesting periods of 12 months, 24 months and 36 months from the date of grant, (ii) a strike price of NOK 30 per share, and (iii) regular good leaver/bad leaver provisions restricting the exercise of share options.

As per date a total of 2,197,650 share options have been awarded to management during 2021 and 2022 under the share option plan. Each share option provides the holder a right to subscribe for or acquire one share against payment of NOK 30 per share. The Company has a right to settle share options with cash payment. Simultaneous exercise of all outstanding options will result in an immediate dilution for the existing shareholders of approximately 4.0 %, based on the Company's current amount of outstanding shares. Under the vesting schedule for the share options granted in 2021 and 2022, the following amounts of share options will vest during 2023-2025:

	2023	2024	2025	Total
Share options vesting	1 233 375	710 125	37 375	1 980 875
Of which held by Chief executive officer	299 000	149 500		448 500

	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
Auditor				
Specification of auditor's fee:				
Statutory audit fee group auditor	444	130	473	157
Assurance services group auditor	28	71	28	71
Statutory audit fee other auditor	-	-	257	114
Other services	17	-	17	-
Sum	489	201	775	342

VAT is not included in the fee specified above.

Note 5 Share based payments

Amounts in 1000 NOK

Reconciliation of outstanding Performance share units			Year to date ended December 31, 2023
Number of instruments	Number of options	Weighted average strike price	
Outstanding at 01.01.2023	2 130 375	30	
Granted during the year	-	-	
Exercised during the year *	-	-	
Released during the year	-	-	
Adjusted during the year	-	-	
Performance Adjusted	-	-	
Cancelled during the year	-	-	
Terminated during the year	-	-	
Expired during the year	-149 500	30	
Outstanding at 31.12.2023	1 980 875	30	
Exercisable at 31.12.2023 (vested)	1 233 375	30	

*) No shares have been exercised in 2023

The weighted average remaining contractual life for the share options outstanding at 31 December 2023 was 0.77 years.
The weighted average fair value of options granted during 2023 was NOK 3.86

	2023
Total recognized cost	5 839
Total Social security provisions*	-

* All options out of money at 31.12.2023. No social security provision required

Assumptions and inputs in model	2023
Instrument	Option
Quantity 31.12.2023 (shares)	1 980 875
Contractual life	3,5
Strike price	30
Share price	21,37
Expected lifetime	1,87
Volatility	50,74 %
Interest rate	2,957 %
FV per instrument	3,86
Dividended	-
Vesting conditions	N/A
Weighted average parameters at grant of instrument	

Note 6 Intangible assets

Amounts in NOK 1000

Parent company	Patents	Total
Acquisition cost 01.01.2023	1 582	1 582
Additions	2 094	2 094
Disposals	-	-
Acquisition cost 31.12.2023	3 677	3 677
Accumulated amortisation 31.12.2023	-109	-109
Accumulated impairment loss 31.12.2023	-	-
Reversed impairments 31.12.2023	-	-
Net carrying value 31.12.2023	3 567	3567
Amortisation for the year	83	83
Impairment loss for the year	-	-
Reversed impairments for the year	-	-
Useful economic life	30 years	
Amortisation plan	Linear	

Ocean GeoLoop Group	Goodwill	Research, patents and technolog	Trade-marks and customer base	Other	Total
Acquisition cost 01.01.2023	15 661	39 224	33 446	8 297	96 628
Acquisitions through business combinations	-	2 094	-	833	2 928
Disposals	-	-	-	-	-
Acquisition cost 31.12.2023	15 661	41 318	33 446	9 130	99 555
Accumulated amortisation 31.12.2023	-7 441	-15 759	-6 184	-6 912	-36 296
Accumulated impairment loss 31.12.2023	-	-	-	-	-
Reversed impairments 31.12.2023	-	-	-	-	-
Net carrying value 31.12.2023	8 220	25 559	27 262	2 218	63 259
Amortisation for the year	3 132	3 339	3 345	1 075	10 891
Impairment loss for the year	-	-	-	-	-
Reversed impairments for the year	-	-	-	-	-
Useful economic life	5 years	10 - 30 years	10 years	1 year	
Amortisation plan	linear	Linear	Linear	Linear	

The cash generating unit for goodwill is Energi Teknisk AS. The recoverable amount is measured by calculating the present value of the estimated future cash flows before tax from Energi Teknisk AS. The calculation has been done by using a weighted average cost of capital at 11,2 % before tax. The basis for estimating future cash flows has been management approved budgets/forecasts for the next five years. Cash flows for the period beyond the period covered by the budgets/forecasts are estimated by extrapolating the cash flows based on budgets/forecasts.

The research and development costs are related to costs in connection with expenses for initial patenting. A total of NOK 2,1 mill has been accrued in developing costs for the year. It is expected that the total earnings from on-going development will be equivalent to the total accrued costs.

Goodwill for each acquisition	Net carrying value at 31.12.2023	Useful economic life	Amortization method
Energi Teknisk AS	15 996	5 years	Linear
Ocean TuniCell AS	-7 776	5 years	Linear
Total	8 220		

Note 7 Tangible assets

Amounts in NOK 1000

Parent company

	Machinery and plant under construction	Machinery and equipment	Operating property, tools, office machines	Total
Property, plant and equipment				
Acquisition cost 01.01.2023	4 995	39 008	344	44 347
Additions	20 246	5 083	158	25 487
Moval between asset groups	-19 327	19 327		-
Disposals				-
Acquisition cost 31.12.2023	5 914	63 419	501	69 834
Accumulated depreciation 31.12.2023		-11 308	-238	-11 547
Accumulated impairment loss 31.12.2023		-		-
Reversed impairments 31.12.2023		-		-
Net carrying value 31.12.2023	5 914	52 111	263	58 287
Depreciation for the year	-	6 223	119	6 342
Impairment loss for the year	-	-	-	-
Reversed impairments for the year	-	-	-	-
Useful economic life		5-10 years	1-10 years	
Amortisation plan		Linear	Linear	

Ocean GeoLoop Group

	Machinery and plant under construction	Machinery and equipment	Operating property, tools, office machines	Total
Property, plant and equipment				
Acquisition cost 01.01.2023	21 286	33 473	11 281	66 040
Additions	20 246	5 473	1 226	26 945
Moval between asset groups	-31 904	31 904		-
Disposals	-	-	-	-
Acquisition cost 31.12.2023	9 629	70 850	12 507	92 986
Accumulated depreciation 31.12.2023	-	-13 865	-7 812	-21 677
Accumulated impairment loss 31.12.2023	-	-	-	-
Reversed impairments 31.12.2023	-	-	-	-
Net carrying value 31.12.2023	9 629	56 989	4 695	71 312
Depreciation for the year		7 039	1 541	8 579
Impairment loss for the year (incl. reversals)		-	-	-
Reversed impairments for the year		-	-	-
Useful economic life		5-20 years	1-10 years	
Amortisation plan		Linear	Linear	
Reversed impairments for the year				

Received support from the Skattefunn scheme related to development projects is grossed up against capitalized amounts, and income is recognized in line with the depreciation.

Note 8 Finance income and expenses

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
Finance income	2023	2022	2023	2022
Interest income from group companies	748	12	-	-
Other interest income	5 092	10	5 242	101
Other financial income and agio	1 295	8	922	109
Total finance income	7 135	29	6 164	210

	Parent company		Ocean GeoLoop Group	
Finance expenses	2023	2022	2023	2022
Other interest expenses	466	2	887	105
Recognized effect change in provision Earn Out *	-	-	6 762	-
Other financial expenses and disagio	-	41	2 090	1 553
Total finance expenses	466	43	9 739	1 658

* See note 17 Provisions for liabilities for further description of the Earn Out provision.

Note 9 Income taxes

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
Income tax expense	2023	2022	2023	2022
Tax payable	-	-	-12	-4
Correction of tax payable from prior period	-	-	-31	-
Changes in deferred tax	-	-	1 581	2 197
Total income tax expense	-	-	1 538	2 193

Tax base calculation:

Profit before income tax	-28 895	-42 762	-50 961	-53 921
Permanent differences *	-4 713	-3 660	1 506	-3 010
Temporary differences	-1 237	-15 832	-3 212	996
Loss carry forward	-	-	-	-20 097
Taxable income (basis for payable taxes in the balance sheet)	-34 846	-62 254	-52 667	-76 032

Temporary differences:

Receivables	-	-	-350	-350
Inventories	-	-	-100	22
Non current assets	4 622	4 534	52 288	58 461
Contract asset/liability	-	-	26 238	10 751
Provisions	-	-	-3 500	-700
Loss carry forward	-146 321	-111 476	-231 343	-178 694
Total temporary differences	-141 699	-106 942	-156 768	-110 480
Loss not included in deferred tax	141 699	106 942	197 781	158 675
Total	-	-	41 014	48 195
Deferred tax liability (asset) 22%	-	-	9 023	10 604

Note 10 Equity

Amounts in NOK 1000

	Parent company				
	Issued capital	Share premium	Other paid-in capital	Other equity	Total equity
Equity 01.01.2023	527	363 494	- 16 101	-87 449	260 472
Profit/Loss for the period	-	-	-	-28 895	-28 895
Share based payments	-	-	5 839	-	5 839
Equity 31.12.2023	527	363 494	- 10 262	-116 344	237 416

	Ocean GeoLoop Group				
	Issued capital	Share premium	Other equity	Minority	Total equity
Equity 01.01.2023	527	363 494	-91 781	7 113	279 353
Correction of previous year	-	-	-17 115	17 115	-
Profit/Loss for the period	-	-	-43 804	-5 619	-49 423
Share based payments	-	-	5 839	-	5 839
Issue of shares	-	-	-9 138	9 137	-
Other, exchange rate differences	-	-	2	-	2
Equity 31.12.2023	527	363 494	-155 996	27 746	235 771

Note 11 Investment in subsidiaries

Amounts in NOK 1000

Company name	Acquisition date	Location	2023		2022	
			Share ownership	Voting rights	Share ownership	Voting rights
			Energi Teknikk AS	23.02.2022	Kvinnherad	67,00 %
Brekke Turbiner AS*	23.02.2022	Kvinnherad	-	-	61,50 %	61,50 %
Ocean M AB**	14.11.2022	Fårö	-	-	51,00 %	51,00 %
Ocean Tunicell AS	14.11.2022	Bergen	60,30 %	60,30 %	54,00 %	54,00 %
Ocean Bergen AS	14.11.2022	Bergen	60,30 %	60,30 %	54,00 %	54,00 %
Ocean Tunifeed AS	14.11.2022	Bergen	60,30 %	60,30 %	54,00 %	54,00 %

*) Brekke Turbiner AS has merged with Energi Teknikk AS in June 2023.

**) Ocean M AB has merged with Ocean Tunicell AS in December 2023.

Investments valued at cost (parent company)

Company name	Share capital	Number of shares	Book value	Equity	Net profit 2023
Energi Teknikk AS	3 591	24 061	54 511	25 995	12 618
Ocean Tunicell	37	222 798	23 369	12 846	-16 720

Note 12 Intercompany balances with group companies

Amounts in NOK 1000

Receivables	Parent company	
	2023	2022
Loans to group companies	-	2 511 *
Convertible loan to group companies	-	10 000 **
Accounts receivable	-	2 506
Other receivables	-	-
Total	-	15 017
Receivables maturing > 1 year	-	2 506

*) This interest-bearing loan with 3 months nibar + 2% was part of an convertible of debt in December 2023.

**) The convertible loan of NOK 9 999 345 was converted into 5,130 shares in ET for a subscription price of NOK 1 949.19 in June 2023.

Note 13 Inventories

Amounts in NOK 1000

Inventories	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
Finished goods	-	-	5 427	4 587
Provisions	-	-	-100	-100
Total	-	-	5 327	4 487

Note 14 Bank deposits and liquidity funds

Amounts in NOK 1000

Bank deposits	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
Withheld employee taxes	752	870	2 836	2 866
Other restricted bank deposits	-	-	2 721	2 642
Other bank deposits and cash	5 299	173 312	8 459	174 322
Total bank deposit and cash	6 051	174 182	14 016	179 831

Liquidity funds	Parent company		Ocean GeoLoop Group	
	2023	2022	2023	2022
Interest fund administrated by DnB*	100 268	-	100 268	-
Total liquidity funds	100 268	-	100 268	-

*) Recognized in balance sheet at acquisition cost, equal to purchased price deducted purchased interest.

Note 15 Rental agreements and leasing

Amounts in NOK 1000

The Group as lessee – operating lease agreements

The Group has entered into several different operating lease agreements for machines, offices and other facilities. The majority of these agreements includes a warrant for renewal at the end of the agreement period.

Rental object	Agreement period	This year's rent
Buildings and other real estate	Until the year 2030	5 076
Computer equipment, copier etc	Annual lease agreements of less than 3 years' duration	146
Means of transport	Until the year 2027	348
Total		5 570

Note 16 Share capital and shareholder information

Amounts in NOK 1000

At 31.12.2023, the share capital of Ocean GeoLoop AS was NOK 527 155 divided into 52 715 477 shares, each with a nominal value of NOK 0.01.

At 31.12.2023 Ocean Geoloop AS had 585 shareholders.

Largest shareholders at 31.12.2023:

Shareholder	Number of shares	Ownership interest	Voting rights
Hans Gude Gudesen	29 250 000	55,50 %	55,50 %
AB Investment AS	3 623 000	6,90 %	6,90 %
Pershing LLC	2 745 656	5,20 %	5,20 %
Norske Skog ASA	1 083 333	2,10 %	2,10 %
Verdipapirfondet First Generator	1 072 719	2,00 %	2,00 %
Verdipapirfondet First Globalt	909 486	1,70 %	1,40 %
MP Pensjon PK	856 608	1,60 %	1,60 %
GLS Real Estate AS	675 818	1,30 %	1,40 %
Bank Pictet & Cie (Europe) AG	653 208	1,20 %	1,50 %
E.T. Holding AS	591 895	1,10 %	1,10 %
Total	41 461 723	78,70 %	78,70 %
Other (less than 1% ownership)	11 253 754	21,30 %	21,30 %
Total number of shares	52 715 477	100,00 %	100,00 %

Shareholdings by Board of Directors and management of 31.12.2023:

Title	Name	Number of shares
Chief Executive Officer	Odd-Geir Lademo	103 250
Chief Financial Officer	Maria Hosen	10 000
Chief Commercial Officer	Ove Lande	159 000
Chief Construction Officer	Jan Arne Berg	85 500
Chief Technology Officer	Carlos Delgado	6 703
Chief Project Officer	Lars Strøm	62 000
Chief Operation Officer	Viggo Iversen	17 500
Chairman Of The Board	Anders Onarheim	3 623 000
Board Member	Morten Platou	348 000
Board Member	Lars Sperre	10 000
Board Member	Ole Rogstad Jørstad	429 666
Sum		4 854 619

Note 17 Provisions for liabilities

Amounts in NOK 1000

Provisions for liabilities	Guarantees	Provisions	Total
Balance 01.01.2023	700	7 000	7 700
Allocated in 2023	2 800	4 687	7 487
Reversed provisions in 2023			-
Utilized provisions in 2023			-
Balance 31.12.2023	3 500*	11 687**	15 187

*) A general provision is made for guarantees in Energi Teknikk AS. Based on previous years' experience, an expected guarantee obligation is allocated to delivered contracts.

***) The earn-out agreement, which include three separate instalments, is based on EBITDA targets for the years 2022 to 2025. First instalment of 2.5 million to be paid first half of 2024. Remaining maximum payment of NOK 13.5 million is gradually reduced with lower EBITDA levels until zero payment. The estimated earn-out obligation of NOK 11.7 million is based on the managements probability-adjusted EBITDA outcome.

Note 18 Collaterals and guaranties

Amounts in NOK 1000

Guarantee liabilities	2023	2022
Guaranties pledged as security	48 492	21 124
Total guarantee liabilities	48 492	21 124

Secured debt

Liabilities secured by mortgage	917	1 724
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Pledged assets

Shares i subsidiary	-	1 546
Fixed assets	1 905	6 978
Inventory	4 450	3 679
Account receiveables	67 456	44 864
Bank deposit	2 721	2 642
Total book value of secured assets	76 531	59 709

Note 19 Long-term construction contracts

Amounts in NOK 1000

Parts of the company's activities is related to development and production of products and systems by orders. The projects are treated in accordance with the percentage of completion method. The revenue is recognised in accordance with the calculated progress (stage of completion). The stage of completion is calculated as accrued production costs in relation to expected total production costs (cost-to-cost method). The revenue is agreed in the agreement. Expected total development costs are estimated based on a combination of experience of numbers, systematic estimation procedures, follow-up of performance measurements and follow up of efficiency measurements and best estimates.

Projects in progress appears as the net amount of total earned revenue minus invoiced / payments from customers. In cases where invoiced and payments from customers exceed earned revenue, it is presented as "prepayments from customers".

Result of work in progress	2023	2022
Total income ongoing projects	147 677	90 172
Total costs ongoing projects	121 440	78 601
Net projects in progress	-26 238	-11 571

Remaining production on projects with losses	-	-
Earn invoiced income from ongoing construction contracts, including accounts receivable	37 659	21 728
Advance invoiced production includes other short-term debt	21 242	9 190

Note 20 Business combination

Amounts in NOK 1000

Acquisition of Energi Teknikk

On 23 February 2022, Ocean GeoLoop AS acquired 63,5 % of the shares in Energi Teknikk AS for MNOK 44,5. The acquisition was financed in cash and by issuing shares at fair value (591 895 shares, nominal value NOK 37, and share premium totalling MNOK 21,9). The fair value of the shares was set at observed market prices as traded on the stock exchange at the acquisition date. Energi Teknikk AS is a limited company located in Kvernherad, Norway. Energi Teknikk AS is a total supplier of equipment and services for the development of small power plants. The company offers self-produced turbines, switchboards and control systems and has its own service department for operation and maintenance. The company offers a 24-hour on-call service including remote diagnosis of the control system. The acquisition has been accounted for by using the purchase method.

Allocation of excess value from the Energi Teknikk AS acquisition:

	Booked value in Energi Teknikk AS	Excess value	Recognised value
Cash and cash equivalent	8 482	-	8 482
Accounts receivables	38 508	-	38 508
Inventory	1 650	-	1 650
Fixed assets	2 144	-	2 144
Patents and technology	4 659	23 353	28 012
Trade marks and customer relationship	-	33 446	33 446
Other intangible assets	-	6 611	6 611
Deferred tax asset	1 149	-	1 149
Deferred tax obligation	-	-13 950	-13 950
Non-interest bearing liabilities	-11 019	-	-11 019
Interest-bearing liabilities	-48 036	-	-48 036
Net identified assets and liabilities	-2 463	49 460	46 996
Goodwill from acquisition	-	25 381	25 381
Total value	-2 463	74 841	72 377
Capital increase	21 900		
Cash	15 000		
Conditional consideration	7 000		
Direct expense	612		
Purchase price	44 512		
Paid in cash	8 482		
Cash received	-15 000		
Net cash out	-6 518		

Cont. of note 20 Business combination

Amounts in NOK 1000

Acquisition of Ocean TuniCell AS

On 14 November 2022, Ocean GeoLoop entered into an agreement with Hans Gude Gudesen to transfer his holding of approximately 55% of Ocean Tunicell, including his shares in Ocean M AB. The shares in Ocean Tunicell and Ocean M AB were transferred and assigned to Ocean GeoLoop against no consideration. The acquisition has been accounted for by using the purchase method.

Allocation of excess value from the Ocean TuniCell AS acquisition:

	Booked value in Ocean TuniCell AS	Excess value	Recognised value
Cash and cash equivalent	1 415	-	1 415
Accounts receivables	1 803	-	1 803
Inventory	769	-	769
Fixed assets	13 716	-	13 716
Patents	-	-	-
Non-interest bearing liabilities	-3 853	-	-3 853
Interest-bearing liabilities	-4 129	-	-4 129
Net identified assets and liabilities	9 720	-	9 720
Badwill from acquisition	-	-9 720	-9 720
Total value	9 720	-9 720	-
Capital increase	-		
Cash	-		
Direct expense	-		
Purchase price	-		
Paid in cash	-		
Cash received	1 415		
Net cash out	1 415		

Auditor's Report



To the General Meeting of Ocean Geoloop AS

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Independent Auditor's Report

Opinion

We have audited the financial statements of Ocean Geoloop AS showing a loss of NOK 28 895 000 in the financial statements of the parent company and a loss of NOK 49 423 000 in the financial statements of the group. The financial statements comprise:

- the financial statements of the parent company Ocean Geoloop AS (the Company), which comprise the balance sheet as at 31 December 2023, 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 Ocean Geoloop AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, 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 comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, 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, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, 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 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 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.

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RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/Is a member of Den norske Revisorforening.



Ocean Geoloop AS - Auditor's Report 2023

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view 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 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>

Oslo, 13 March 2024
RSM Norge AS


Per-Henning Lie
State Authorised Public Accountant

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