



ANNUAL REPORT 2022

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About Ocean GeoLoop

Ocean GeoLoop AS is a green-tech company using nature’s own way of solving the challenges of our time in a circular way. The company has introduced the *GeoLoop CC* technology that captures point source CO2 emissions, using natural and harmless processes. In 2023 the company will build a pilot to further develop the *e-Loop*, a novel technology for electricity production. The *GeoLoop CC* and the *e-Loop* will help companies and countries to reach their goals of reduced emissions and to get access to renewable electricity for the green transition. The company is listed on Oslo Børs Euronext Growth under the ticker OCEAN

CEO Letter

It's all about the way we work. This is the simple sentence of explanation I tell when asked about how it's all possible. It's about the way we work. That sentence reveals the true power of collaboration, partnerships and dedication. Done the right way, it releases immense energy in complex development and commercialization processes and not at least: it enables Ocean GeoLoop to move fast.

This is also the way we can characterize 2022, and the development so far in 2023. We are moving fast, and the way we work is a catalyst for continued performance. And for those who believe it is all easy, and can be replicated by others, I can tell you that the Ocean GeoLoop way of working is only gained by strong motivation, highly experienced personnel and strategic and systematic hard work – and not at least the deep engagement by the technology inventor, innovator and founder of Ocean GeoLoop, Hans Gude Gudesen, "Gude" in short.

From where comes this drive and sense of urgency? The earth is stressed by the growing number of people, in constant need for energy, food, resources, and general welfare. Our current, unbalanced welfare has been gained through massive exploitation of fossil resources with associated climate and environmental emissions with negative consequences. Many believe that the oceans, covering 70% of the area of the earth, also represent the X-factor in resolving our growing and combined climate, environmental and resource crisis, thus our first name *Ocean*.

How do we approach it? Firstly, by developing technology to capture man-made emissions to the biosphere; in principle the climate gases to atmosphere, and phosphorous and nitrogen compounds to the oceans. Accordingly, in 2021 we installed a large-scale prototype of the GeoLoop Column - our novel, multi-functional, ocean-based dome-system enabling biomass production, ocean purification and oxygenation. In 2022 we took a new step on our journey when introducing our carbon capture technology that captures point source CO₂ emissions, using natural and harmless processes. Secondly, we emphasize circular economic principles, functioning value chains and business models that create shared value for Ocean GeoLoop, our customers and the society. Therefore, our strong focus is on network operation as an essential ingredient for our business.

One of the main events in 2022 was the listing on Euronext Growth Oslo, where we presented to the broader set of investors our way to use nature to solve the challenges of our time in a circular way. The primary focus in 2022 was the development of the carbon capture technology, and we received broad investor interest following the commencement of operations of the pilot plant at Norske Skog Skogn, Norway. At the time of writing, we have continued to mature our pilot into an autonomous industrial plant, currently exceeding 1200 consecutive hours of operation. In parallel, we have entered into several commercially oriented collaborative activities focused on full-scale CCUS

applications in Mid-Norway and at Herøya, Norway, the latter with the world's leading fertilizer company Yara. In accordance with our technology roadmap, we have also built a down-scaled carbon capture unit at SINTEF's premises to gain even more speed in further optimization of the technology. We are further building and verifying a digital process model that allows for rapid extrapolation for various customers and customer segments.

Our technologies are run by electricity. In 2023, we plan to pilot the e-Loop technology, with purpose to produce electricity from low-quality heat, with the aim to further increase the attractivity and lower the cost of industrial CCUS projects. To this end, the competence, capacity and deliverables from our subsidiary Energi Teknisk AS will be important.

To manage our expanding activity we are building our organization, both by new recruitment of highly qualified employees, and by the formation and optimization of our corporate structure.

Our technological, market and organizational development is supported by our strong balance sheet, where our financial flexibility was increased further by the NOK ~100 million investment by Chevron during the year. I am happy to confirm that Chevron is a true added-value partner that brings much more to the table than financial strength. We feel strong support and engagement from Chevron's people and a true passion for our future success.

With all these developments, it might have been tempting to give bold statements about short term targets, but Ocean GeoLoop has the "show, don't tell" policy embedded in our DNA. We have stated that our technology will help companies and countries around the globe to reach their net zero goals by using nature's own processes. In 2023 we will show you more.

Thank you for the strong support on the first stages of the journey.

Odd-Geir Lademo

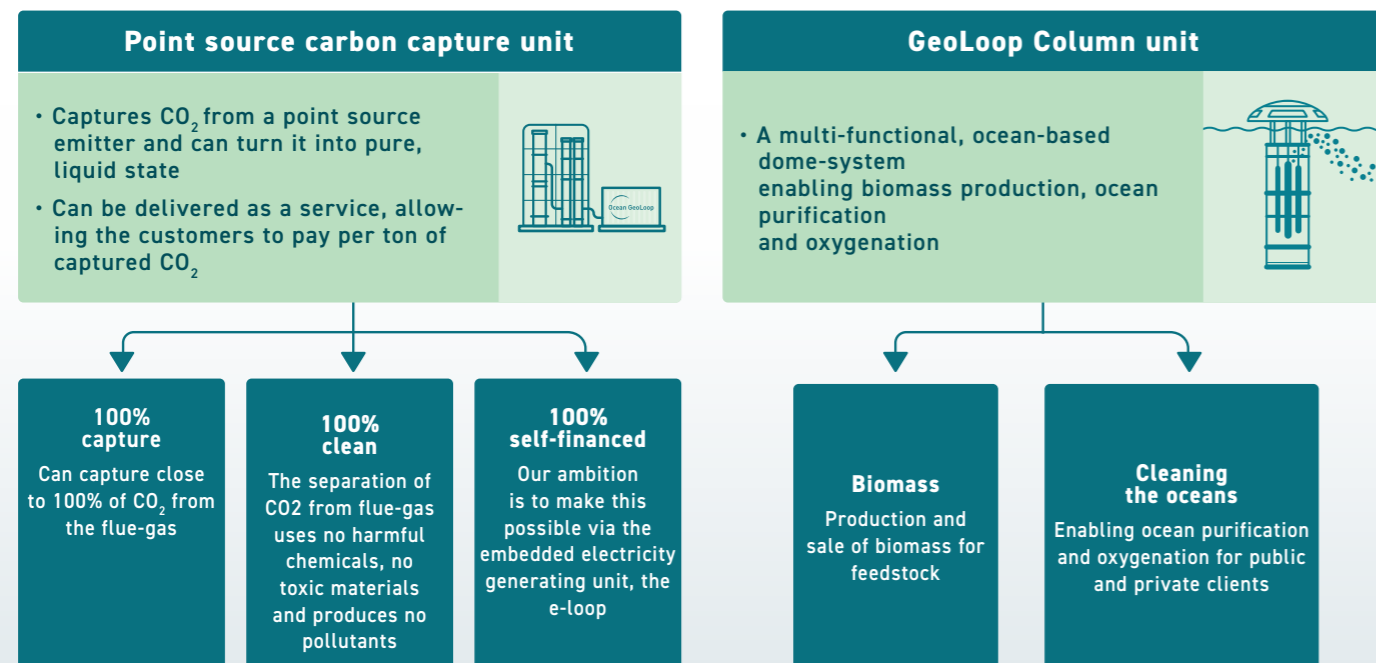
Odd-Geir Lademo
CEO of Ocean GeoLoop



Ocean GeoLoop's technologies

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"), 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 the technology, which will be demonstrated at the carbon capture pilot plant at Norske Skog Skogn are:



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.



Clean and green

The carbon capture and separation process is done without toxins, amines and other harmful chemicals providing HSE friendly operations.



Universal absorption technology

The robust process is designed to handle all flue gasses with minimal needs for special adaptations.



Low and flexible footprint

The vertical process offers a small footprint. It is modular and scalable based on local preferences.



Highly stable and safe operations

A robust and low risk process combined with minimal need for human interaction gives highly safe and stable operations.



Lower capex and operating costs

Small footprint and uncomplicated integration with the emitter will result in lower capex. The clean, robust and autonomous process gives cost effective operations.

The GeoLoop Carbon Capture is aimed to be operated in an energy-autonomous mode, powered by clean electricity (the "e-Loop"). The e-Loop has been developed within the "Project Ocean", and the Company has exclusive access to the e-Loop technology for its point-source carbon capture and storage ("CCS") - and carbon capture and utilization ("CCU") purposes.



The autonomous Carbon Capture pilot plant at Norske Skog Skogn

GeoLoop Coloumn

In 2021 the company installed a large scale GeoLoop Column prototype at a selected location in the Trondheim Fjord, Norway. This prototype unit is undergoing an extensive test program, combined with further testing being performed in different labs. The GeoLoop Column is designed to manage inter alia the following tasks:

- Ocean filtration/cleaning
- Oxygenation of the lower ocean layers
- Biomass generation via the filtering process, farming and harvesting



GeoLoop Column test campaign summer 2021.

Subsidiaries acquired in 2022

ENERGI TEKNIKK AS

In February 2022, Ocean GeoLoop purchased 67% of Energi Teknisk AS for NOK ~47 million, implying a pre-money valuation of NOK ~70 million. The consideration was a mix of cash, shares and a convertible loan. The transaction is considered a strategic investment for Ocean GeoLoop. Energi Teknisk AS is an experienced producer and supplier of hydropower turbines and associated design/ services related to such systems. Ocean GeoLoop has an ambition to integrate such technology elements as a part of the e-Loop technology, for the company's next-generation point-source carbon capture. The acquisition provides combined competence for development of the next-generation technology, engineering, procurement and construction (EPC) competences and executionary force for industrial growth for Ocean GeoLoop.



Photo: Ocean TuniCell AS

OCEAN TUNICELL AS

In 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. Ocean TuniCell possesses highly skilled personnel within marine biology and low-trophic ecosystems knowledge, and relevant experience within production and processing of the tunicates, a low-trophic marine resource. Of particular importance to Ocean GeoLoop is the cellulose that Ocean TuniCell extracts from the tunic of the tunicate.

Some highlights from 2022

Successful establishment of autonomous carbon capture pilot plant.

Ocean GeoLoop reached an important milestone in June 2022 with the installation of the company's carbon capture pilot plant at Norske Skog Skogn, hooking up to the paper mill's flue gas stack. This milestone is a result of the partnering where Norske Skog in 2021 obtained a 2% ownership of Ocean GeoLoop and the parties entered into an agreement to develop a common industrial testing ground for new technologies. By end of 2022 the pilot facility operated autonomously and entered into the comprehensive test and development program that will provide valuable data and insights to help improve the technology further, ensuring that it is efficient and cost-effective, and demonstrating the technology's industrial scalability, robustness, and predictability. The collaboration between Ocean GeoLoop and Norske Skog is an excellent example of how industry and technology providers can work together to advance sustainable development.



Collaboration with Yara and Herøya Industrial Park

The Herøya industry cluster has ambitious climate targets. The industry park is the largest cluster of process industries in Norway and home also to Yara's largest production facility in Norway. Ocean GeoLoop has during 2022 entered into cooperation with Yara working to find commercial opportunities for carbon capture and electricity production for the planned expansion project at the Yara Calcium Nitrate plant at Herøya.

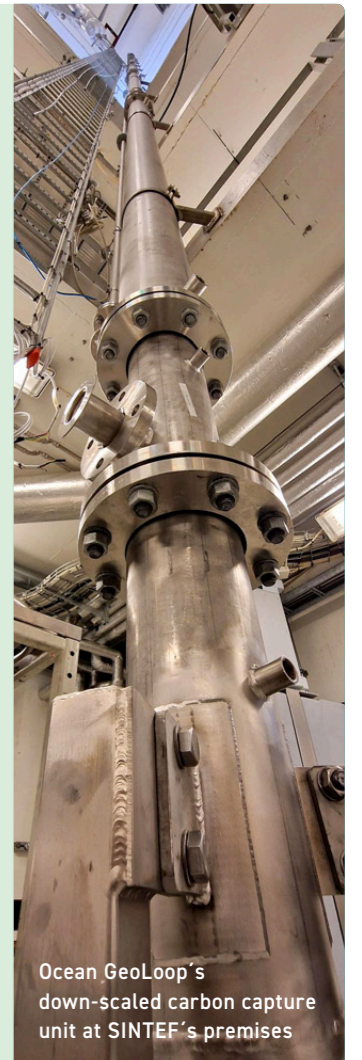


Collaboration with Nordural

When entering the Letter of Intent for carbon capture with the leading Icelandic aluminum producer Nordural at Grundartangi, Ocean GeoLoop addressed one of the most demanding industrial segments for carbon capture, with CO₂ concentration in the flue gas of less than 1 %. Nordural is OGL's first industrial partner in Iceland, a promising region for both developing OGL's technologies and further commercial business. The cooperation with Nordural follows as a consequence of the Letter of Intent with the Icelandic Government, signed in September 2021, to significantly reduce the quantity of CO₂ in the atmosphere.

Strengthening of SINTEF collaboration

SINTEF is the company's central R&D partner, with people with cutting-edge expertise, with the experience and will to engage in new approaches, and with access to a set of crucial laboratory and modelling tools. In accordance with the company's high-level timeline, SINTEF is involved in the technological development of Ocean GeoLoop's technologies. The long-term and strong collaboration ensures access to high level expertise from a broad range of disciplines, state-of-the-art laboratories, and national and international industry and technology networks. Ocean GeoLoop has invested in its own research infrastructure in SINTEF operated laboratories in Trondheim linked to all technology areas in OGL.



Ocean GeoLoop's down-scaled carbon capture unit at SINTEF's premises



Investment decision from Chevron and associated MoU

In August 2022 Chevron U.S.A Inc made a NOK 100 million investment in Ocean GeoLoop, and the parties entered into a memorandum of understanding to identify areas of potential technical or commercial collaboration (MOU). By bringing Chevron in as a strategic industrial investor, Ocean GeoLoop has secured strong technological and commercial support. Chevron aims to accelerate commercialization of promising lower carbon solutions. Chevron has extensive operational experience, a proven track record of carbon-capture projects and has already deployed CCUS technologies in locations across the globe.



Initial public offering

On March 8, 2022, Ocean GeoLoop AS listed for public trading on Euronext Growth Oslo, following the successful private placement and share issue with total gross proceeds of NOK 55 million.



Political dialogue, public grants and awards

OGL receives strong interest from politicians locally, nationally and internationally. Through meetings with, among others, the Norwegian climate and environment minister, the minister of trade and industry, and the Icelandic Minister for Foreign Affairs and International Development, fruitful discussions regarding private and public cooperation have been carried out. Political objectives related to the combined climate, environmental and resource crisis coincide strongly with Ocean GeoLoop's activities, and the company's technology development and commercial projects are thus well positioned for support through various public support schemes. In 2022, OGL received NOK 9.2 million in support for the company's carbon capture pilot plant at Skogn from Innovation Norway. OGL was also awarded SIVA's X-factor prize, where the jury recognized the company's effort to develop technology for a holistic and efficient solution to the CO2-challenge.



GeoLoop Column

The company has employed a dedicated person to lead the combined market and technology development activities in close cooperation with national and international partners. Within the "GeoLoop Column Space" several achievements have been made:

- Through 2022, Ocean GeoLoop has worked systematically to identify the market entrance for GeoLoop Column. The national challenge with the eutrophicated Oslo Fjord is identified as potential entrance point, and work has been undertaken to promote a Joint Stakeholder Initiative to fund the first commercial unit.
- A novel mechanical filtration systems is under development and laboratory experiments has confirmed the solution as a possible technology for capturing particulate matter by mechanical means, as an alternative to the use of filter feeders.
- The process on improving the circulation of large volumes of water has continuously been under development and testing together with international partners during 2022. Simulations on several approaches for doing this has been performed to find the best possible solution.
- Throughout 2022, the company have gained useful experience from the GeoLoop Column prototype in the Trondheim Fiord, especially relating to the structural design. An alternative structural design that offers improved functionality has been developed by Ocean GeoLoop's EPCI partner.

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 is currently the CEO of BW LPG, a leading shipowner and operator of liquid petroleum gas carriers. Onarheim holds a BSBA and an MBA from Washington University of St. Louis and graduated in 1986.



Ebbe Arnstein Deraas / BOARD MEMBER

Ebbe Deraas is currently working as a business coordinator primarily towards the military and security industry. Key focus is connecting regional and national industry and start-ups with relevant national and international military branches and initiatives. He is an experienced Commanding Officer and a retired Colonel from the Norwegian Army. He has held several positions in both national defense and international operations, and is skilled in negotiation, operations and strategic management and coaching. Mr. Deraas has an extensive academic record, including a degree from the Norwegian National Defense College and the Joint Services Command and Staff College, UK as well as a master's degree in Military and Strategic leadership from Kings College, London.



Hans Kristian Hustad / BOARD MEMBER

Hans Kristian Hustad has more than 45 years' experience in running operations and from various chairman and board member positions in the Nordics, CEE, and UK. He has also been the CEO and chairman of Booker Group Ltd, chairman of Hamleys Ltd., CEO Rema 1000 International AS, board member of Baugur Group hf., Deputy CEO Ringnes AS, CEO E. C. Dahls Bryggeri AS. Mr. Hustad is currently the chairman of Ocean TuniCell AS. Hustad has education in finance and management from Molde University College and Gothenburg University.



Lars P. Sørvaag Sperre / BOARD MEMBER

Mr. Sperre has acted as Senior Vice President Corporate Strategy of Norske Skog ASA since 1 December 2018. Before this, Mr. Sperre functioned as Norske Skog ASA's President and Chief Executive Officer for an interim period of approximately one and a half years. From 2006 to 2014, Mr. Sperre was part of the Norske Skog Group's Legal Counsel and was Vice President Legal from 2007 to 2014. Prior to this, Mr. Sperre worked as an associate lawyer at the Norwegian law Firm Wikborg Rein Advokatfirma AS. Mr. Sperre graduated from the University of Bergen with a Cand. Jur. Degree in 2002 and obtained his practicing certificate in 2005. Mr. Sperre has extensive experience from international industrial operations and international development projects from his work with the Norske Skog Group, and he also has extensive experience with international capital markets and M&A activities.



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.



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.



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.



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.



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 / Kvaerner Piping Technology – a prominent product- and technology company and Vice President at Kvaerner in Verdal. Jan Arne Berg holds a B.Sc. in Mechanical Engineering from the Trondheim College of Engineering.



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.



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.



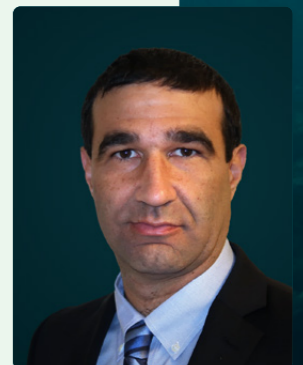
Lars Strøm / CHIEF PROJECT OFFICER

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.



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.



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 technology. The technology is 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 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. The Company approaches man-made emissions as misplaced resources. This means that man made emissions can be considered to be 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

- **November:** Entered into an agreement with founder and largest shareholder, Hans Gude Gudesen, to transfer his majority position in Ocean Tunicell to Ocean GeoLoop
- **October:** Announced a Letter of Intent (LOI) with Yara Norge AS for carbon capture and electricity production for the planned expansion project at the Yara Calcium Nitrate plant at Herøya in Norway
- **August:** Announced a NOK ~100 million investment at NOK 37 per share by Chevron U.S.A. Inc. (Chevron), and a memorandum of understanding to identify areas of potential technical or commercial collaboration. The collaboration aims to provide Ocean GeoLoop with global reach, in addition to Chevron strengthening Ocean GeoLoop's offering and capabilities towards the company's

existing projects, partners and network.

- **July:** Successful first commissioning phase and system test of the carbon capture pilot installation at Norske Skog Skogn in Norway
- **March:** Successful listing on Euronext Growth
- **February:** Acquisition of Energi Teknikk

Subsequent:

March 2023: Continued execution of the comprehensive test and development program of the autonomous pilot plant at Norske Skog Skogn. The program will document industrial scalability, process robustness and efficiency. The pilot plant has as part of this reached ~ 1 200 operating hours of the planned ~ 3 000-hour verification period aimed at documenting operational stability.

Organization, Equality and Work Environment

Of the parent company's 11 employees, there is one woman. Of the Group's 44 employees, there is 8 women. The board of directors consists of 6 men. 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 parent company equals 7,6% (none in 2021).

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

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

In compliance with The Norwegian Transparency Act a publication of the statement will be made available on the parent company's website by 30th June 2023.

Environment

As a result of the aggravated climate change, substantial efforts and resources have in the last decades been spent on the combatting of 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 2023 the company will pilot test the e-Loop, a new technology for electricity production. The GeoLoop CC and the e-Loop will 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 increased from NOK 300 000 last year to 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 which have been taken over the operation. 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 2022 research and development costs amounted to NOK 39 923 729. 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 OGL's technologies.

Negative cash flow from operating activities was NOK 54 567 468 in 2022, and the operating loss constituted NOK 52 472 468. The difference mainly concerns ordinary depreciation and effects from business combinations. The Group's capital investments during 2022 amounted to NOK 37 238 329, of which NOK 29 751 400 reflecting capitalized development costs related to Ocean GeoLoops pilot units. The Group's liquidity reserve as of 31.12.2022 amounted to NOK 179 831 753. 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 31.12.2022 with the Group's most liquid assets.

Total assets at year end amounted to NOK 362 202 143, compared to NOK 163 879 696 last year. The equity ratio was 77 % as of 31.12.2022, compared to 93 % the year before.

Cash flows from financing activities was 129 123 000 NOK, which in majority relates to private placements in 2022.

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

Ocean GeoLoop AS has a net loss of NOK 42 762 215 from January 1 to December 31, 2022.

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 can not 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. The company has a growth strategy and the commercial ramp up may require increased working capital. The company can not provide assurances on future cash management and access to liquidity as a larger entity.

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 Group Sweden 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 2023 and the group's long-term strategy.

Ownership Structure

As of 31.12.2022, Ocean GeoLoop AS is listed on Euronext Growth Oslo, with about 585 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 roadmap. The fertilizer company Yara, the mineral company Franzefoss Minerals, the pulp & paper producer Norske Skog, and the aluminum producer Nordural represents a range of industries and emission sources with huge market potential. Each on their own they bring ambitious climate targets to the table and bring opportunities for both utilization and storage of CO₂. Through a focused process Chevron entered into Ocean GeoLoop as an industrial investor during 2022, an ownership position that adds further strategic strength to our technical and commercial development. Chevron will make resources and market insight available for the development of Ocean GeoLoop. All partners mentioned above have a global presence and represent a global reach for Ocean GeoLoop.

Ocean GeoLoop has systematically built up its supply chain capacity. Through a set of partners, the company has secured access to capacity for an ambitious market rollout for the company's technology platform. The company Inrigo was Ocean GeoLoop's EPC partner on the carbon capture pilot plant at Skogn. In parallel, the company has entered into a frame agreement with Carbon Circle for delivery of engineering, procurement

and construction (EPC) services, related to OGL's propriety carbon capture technology. By the acquisition of Energi Teknisk AS Ocean GeoLoop has secured competence for development of the next-generation carbon capture technology, engineering, procurement and construction (EPC) competences and executionary force for industrial growth for Ocean GeoLoop. When entering as main shareholder of Ocean Tunicell Ocean GeoLoop has access to highly skilled personnel within marine biology and low-trophic ecosystems knowledge, and relevant experience within production and processing of the sea animal tunicates. Of particular importance to Ocean GeoLoop is the 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 step in the company's commercial roadmap.

The market outlook for Ocean GeoLoop's technologies are considered to be very promising. The European Union (EU) has set ambitious climate targets aimed at reducing greenhouse gas (GHG) emissions and combating climate change. The EU target of a reduction of at least 55% in GHG emissions by 2030 compared to 1990 levels, stimulates to a large and comprehensive activity in the EU countries. In the United States, the Inflation Reduction Act (IRA) was passed by a Democratic majority in Congress, and signed by President Biden on August 16, 2022. This legislative package will contribute to a green transition and emission cuts in the USA over a 10-year period. The IRA is described by several as a turning point for green transition, with significant subsidies that have a direct impact on investments and existing production in a number of green value chains.

The introduction of new climate technology will 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 2023 timeline for the business rollout:

GeoLoop Carbon Capture

- Continuation of the execution of the comprehensive test and development program of the autonomous pilot plant at Norske Skog Skogn. The program will document industrial scalability, process robustness and efficiency
- Construction of first commercial unit, subject to firm contract

e-Loop

- Construction and testing of a large scale e-Loop pilot, with purpose to produce electricity from low-quality heat, with the aim to further increase the attractiveness and lower the cost of industrial CCUS-projects

GeoLoop Column

- Promotion, funding and project establishment of a joint stakeholder initiative with aim to demonstrate the GeoLoop Column as a possible commercial solution to the national challenge with the eutrophicated Oslo Fjord

Verdal, 15 Mars 2023

Anders Onarheim

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Chairman of the Board

Morten Platou

Morten Platou
Board member

Hans Kristian Hustad

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Board member

Ebbe Deraas

Ebbe Arnstein Deraas
Board member

Ole Rogstad Jørstad

Ole Rogstad Jørstad
Board member

Lars-Peder Sønnaag 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						
Parent company				Ocean GeoLoop Group		
2022	2021	Notes		Notes	2022	2021
REVENUE						
-	300	2	Revenue	2	128 143	300
50	-	2	Other income	2	-50	-
50	300		Revenue		128 093	300
OPERATING EXPENSES						
-	-		Cost of goods sold		103 305	-
13 144	7 757	3, 4	Employee benefits expense	3, 4	30 550	7 757
3 915	1 315	7, 8	Depreciation and amortisation expenses	7, 8	20 206	1 315
25 739	31 175	3, 4	Other operating expenses	3, 4	26 504	31 175
42 798	40 247		Total operating expenses		180 565	40 247
-42 748	-39 947		OPERATING PROFIT/ (LOSS)		-52 472	-39 947
FINANCIAL INCOME AND EXPENSE						
29	35		Other finance income		210	35
-	-		Interest paid to group companies		-2	-
-43	-61		Other finance expense		-1 656	-61
-14	-25	5	Net finance	5	-1 449	-25
-42 762	-39 973		PROFIT/ (LOSS) BEFORE INCOME TAX		-53 921	-39 973
-		6	Income tax expense	6	-2 193	-
-42 762	-39 973		NET PROFIT/ (LOSS)		-51 728	-39 973
Attributable to:						
-42 762	-39 973	15	Other equity	15	-51 728	-39 973
-42 762	-39 973		Total		-51 728	-39 973
Equity holders of the parent company						
-		15	Equity holders of the parent company	15	-48 120	
-		15	Non-controlling interests	15	-3 608	-

BALANCE SHEET
PARENT COMPANY AND CONSOLIDATED BALANCE SHEET

Amount in NOK 1000					
Parent company			Ocean GeoLoop Group		
2022	2021	Notes	Notes	2022	2021
NON CURRENT ASSETS					
Intangible assets					
1 556	-	7	7	59 870	-
-	-		7, 19	11 352	-
1 556	-			71 223	-
Tangible assets					
224	83	8	8	4 392	83
33 923	13 116	8	8	27 264	13 116
4 995	-	8	8	21 286	-
39 142	13 198			52 942	13 198
Financial assets					
44 512	-	9		-	-
12 512	-	10		-	-
57 024	-			-	-
97 722	13 198			124 165	13 198
CURRENT ASSETS					
-	-		12	4 487	-
Receivables					
-	88		16	45 860	88
2 506	-	10		-	-
6 578	8 078			8 854	8 078
9 084	8 167			54 714	8 167
Investments					
-	-			5	-
-	-			5	-
174 182	142 515	13	13	179 831	142 515
183 266	150 681			239 036	150 681
280 988	163 880			363 202	163 880

BALANCE SHEET
PARENT COMPANY AND CONSOLIDATED BALANCE SHEET

Amount in NOK 1000					
Parent company			Ocean GeoLoop Group		
2022	2021	Notes	Notes	2022	2021
EQUITY					
Owners equity					
527	485	14, 15	14, 15	527	485
363 494	206 947	15	15	363 494	206 947
-16 101	-9 725	15	15	-16 101	-9 725
347 921	197 707			347 921	197 707
Accumulated profits					
-87 449	-44 687	15	15	-75 680	-44 687
-	-		15	7 113	-
-87 449	-44 687			-68 568	-44 687
260 472	153 020			279 353	153 020
LIABILITIES					
Provisions					
7 000	-	18	6	10 604	-
7 000	-		18	7 000	-
7 000	-			17 604	-
Other non current liabilities					
-	-		17	2 427	-
-	-			2 427	-
Current liabilities					
-	-		17	914	-
9 985	7 678			39 907	7 678
-	-		6	4	-
1 426	756			6 789	756
2 105	2 426		16, 18	16 205	2 426
13 516	10 859			63 819	10 859
20 516	10 859			83 349	10 859
280 988	163 880			363 202	163 880

Verdal, 15 Mars 2023

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CEO

STATEMENT OF CASHFLOW
PARENT COMPANY AND CONSOLIDATED STATEMENT OF CASHFLOW

Amount in NOK 1000						
Parent company			Ocean GeoLoop Group			
2022	2021	Notes	Notes	2022	2021	
Cash flow from operating activities						
-42 762	-39 973	15	Profit/ (loss) before income taxes	15	-53 921	-39 973
-	-	6	Income tax payable	6	-	-
3 915	1 315	7, 8	Depreciation and amortisation expenses	7, 8	20 206	1 315
3 859	-4 453		Changes in inventories, accounts receivables / payable		-37 021	-4 453
-2 119	2 602		Changes in other accruals		16 169	2 602
-37 107	-40 509		Net cash flow from operating activities		-54 567	-40 509
Cash flow from investing activities						
-31 415	-14 514	7, 8	Purchase of tangible and intangible non-current assets	7, 8	-31 529	-14 514
-15 612	-	19	Net cash effect from business combination	19	-5 715	-
-12 512	-	10	Net purchase and proceeds from other investments		5	-
-59 539	-14 514		Net cash flow from investing activities		-37 239	-14 514
Cash flow from financing activities						
-	-		Proceeds from recent borrowings (long and short term)	17	809	-
-	-		Dividends		-	-
128 314	101 275	15	Equity issue	15	128 314	101 275
128 314	101 275		Net cash flow from financing activities		129 123	101 275
31 668	46 253		Net change in cash and cash equivalents		37 317	46 253
142 515	96 262	13	Cash and cash equivalents at 01.01	13	142 515	96 262
174 182	142 515	13	Cash and cash equivalents at 31.12	13	179 831	142 515

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

The year 2022 is the first year with consolidated figures for the Ocean GeoLoop group. Comparative figures for previous year consist of parent company only.

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.

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

Ocean GeoLoop implemented a change of principle 31.12.2022 with retroactive effect to 2021. This involves previously recognized R&D costs for the construction of technology pilots, taken into the balance sheet of 2021.

The effects for 2021 are as follows:

Machinery and equipment	NOK	11 829 341
Cost of goods sold	NOK	- 11 161
Employee benefits expense	NOK	- 1 368 224
Depreciation and amortisation expenses	NOK	1 257 605
Other operating expenses	NOK	- 11 707 561

Note 2 Revenue

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
By business area				
Construction contracts			95 870	
Service contracts			32 273	
Other	50	300	-50	300
Total	50	300	128 093	300
Geographical distribution				
Norway	50	300	128 093	300
Total	50	300	128 093	300

Note 3 Public grants

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
Public grants				
Innovation Norway	7 400	-	7 400	-
SkatteFUNN	3 861	4 750	3 861	4 750
Total	11 261	4 750	11 261	4 750

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 7.4 in 2022. 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	
	2022	2021	2022	2021
Salary and personnel costs				
Salaries	10 179	7 545	24 531	7 545
Payroll tax	1 925	1 125	3 704	1 125
Pension costs	874	463	2 008	463
Other benefits	165	-8	308	-8
Effect from change of principle	-	-1 368	-	-1 368
Total	13 144	7 757	30 550	7 757
 Average full-time employees	 8	 5	 41	 5

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		62	-	2 625
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 2022-2025:

	2022	2023	2024	2025	Total
Share options vesting	672 750	732 550	732 550	59 800	2 197 650
Of which held by Chief executive officer	149 500	149 500	149 500		448 500

	Parent company		Ocean GeoLoop Group	
Auditor	2022	2021	2022	2021
Specification of auditor's fee:				
Statutory audit fee group auditor	130	36	157	36
Assurance services group auditor	71	-	71	-
Statutory audit fee other auditor			114	
Sum	201	36	342	36

VAT is not included in the fee specified above.

Note 5 Finance income and expenses

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
Finance income				
Interest income from group companies	12	-	12	-
Other interest income	10	-	89	-
Other financial income (agio)	8	35	109	35
Total finance income	29	35	210	35
	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
Finance expenses				
Other interest expenses	2	61	105	61
Other financial expenses (disagio)	41	-	1 553	-
Total finance expenses	43	61	1 658	61

Note 6 Income taxes

Amounts in NOK 1000

	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
Income tax expense				
Tax payable	-	-	-4	-
Changes in deferred tax	-	-	2 197	-5
Total income tax expense	-	-	2 193	-5
Tax base calculation:				
Profit before income tax	-42 762	-39 973	-53 921	-39 973
Permanent differences *)	-3 660	-4 746	-3 010	-4 746
Temporary differences	-15 832	-28	996	-28
Loss carry forward	-	-	-20 097	-
Taxable income (basis for payable taxes in the balance sheet)	-62 254	-44 747	-76 032	-44 747
Temporary differences:				
Receivables	-	-	-350	-
Inventories	-	-	22	-
Non current assets	4 534	-11 300	58 461	-11 300
Contract asset/liability	-	-	10 751	-
Provisions	-	-	-700	-
Loss carry forward	-111 476	-54 964	-178 694	-54 964
Total temporary differences	-106 942	-66 264	-110 480	-66 264
Loss not included in deferred tax	106 942	66 264	158 675	66 264
Total	-	-	48 195	-
Deferred tax liability (asset) 22%	-	-	10 604	-

Note 7 Intangible assets

Amounts in NOK 1000

	Parent company		Patents		Total
Acquisition cost 01.01.2022					
Additions			1582		1582
Disposals					
Acquisition cost 31.12.2022			1 582		1 582
Accumulated amortisation 31.12.2022			-29		-29
Accumulated impairment loss 31.12.2022					-
Reversed impairments 31.12.2022					-
Net carrying value 31.12.2022			1 553		1 553
Amortisation for the year			29		29
Impairment loss for the year					-
Reversed impairments for the year					-
Useful economic life			30 years		
Amortisation plan			Linear		
	Goodwill	Research, patents and technolog	Trade-marks and customer base	Other	Total
Acquisition cost 01.01.2022	-	-	-	-	-
Acquisitions through business combinations	15 661	37 641	33 446	8 297	95 046
Additions	-	1 582	-	-	1 582
Disposals	-	-	-	-	-
Acquisition cost 31.12.2022	15 661	39 224	33 446	8 297	96 628
Accumulated amortisation 31.12.2022	-4 309	-12 423	-2 839	-5 837	-25 408
Accumulated impairment loss 31.12.2022	-	-	-	-	-
Reversed impairments 31.12.2022	-	-	-	-	-
Net carrying value 31.12.2022	11 352	26 801	30 607	2 460	71 220
Amortisation for the year	4 309	2 809	2 839	5 626	15 583
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 Teknikk AS. The recoverable amount is measured by calculating the present value of the estimated future cash flows before tax from Energi Teknikk 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 1,5 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 31.12.2022	Useful economic life	Amortization method
Energi Teknikk AS	21 072	5 years	Linear
Ocean TuniCell AS	-9 720	5 years	Linear
Total	11 352		

Note 8 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 01.01.2022	12 580	1 672	262	14 514
Additions	4 995	24 757	82	29 833
Moval between asset groups	-12 580	12 580		-
Disposals				
Acquisition cost 31.12.2022	4 995	39 008	344	44 347
Accumulated depreciation 31.12.2022		-5 085	-119	-5 204
Accumulated impairment loss 31.12.2022		-		-
Reversed impairments 31.12.2022		-		-
Net carrying value 31.12.2022	4 995	33 923	224	39 142
Depreciation for the year	-	3 815	74	3 889
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

	Transportation equipment	Machinery and plant under construction	Machinery and equipment	Operating property, tools, office machines	Total
Property, plant and equipment					
Acquisition cost 01.01.2022	-	12 580	1 672	262	14 514
Acquisitions through business combinations	2 888	3 712	7 045	7 934	21 579
Additions	-	4 995	24 757	196	29 947
Disposals	-	-	-	-	-
Acquisition cost 31.12.2022	2 888	21 286	33 473	8 392	66 040
Accumulated depreciation 31.12.2022	-2 271	-	-6 826	-4 000	-13 097
Accumulated impairment loss 31.12.2022	-	-	-	-	-
Reversed impairments 31.12.2022	-	-	-	-	-
Net carrying value 31.12.2022	617	21 286	26 647	4 392	52 942
Depreciation for the year	189		3 892	544	4 625
Impairment loss for the year (incl. reversals)	-		-	-	-
Reversed impairments for the year	-		-	-	-
Useful economic life	5-10 years		5-20 years	1-10 years	
Amortisation plan	Linear		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 9 Investment in subsidiaries

Amounts in NOK 1000

Company name	Acquisition date	Location	2022		2021	
			Share ownership	Voting rights	Share ownership	Voting rights
Energi Teknikk AS	23.02.2022	Kvinnherad	61,50 %	61,50 %	-	-
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	54,00 %	54,00 %	-	-
Ocean Bergen AS	14.11.2022	Bergen	54,00 %	54,00 %	-	-
Ocean Tunifeed AS	14.11.2022	Bergen	54,00 %	54,00 %	-	-

Investments valued at cost (parent company)

Company name	Share capital	Number of shares	Book value	Equity	Net profit 2022
Energi Teknikk AS	3 078	18 931	44 512	10 038	2 682
Ocean M AB (SEK)	50	1 530 000	-	51	-4
Ocean Tunicell	33	10 144	-	7 305	-13 528

Note 10 Intercompany balances with group companies

Amounts in NOK 1000

Receivables	Parent company	
	2022	2021
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	

*) Loan limits to NOK 10 000 000, of which NOK 2 500 000 has been withdrawn. The loan is interest-bearing with 3 months nibor + 2%.

**) Simultaneously as entering the transaction for Energi Teknikk (ET), Ocean GeoLoop granted a convertible loan to ET of NOK 9 999 345. The convertible loan is expected to be converted into 5,130 shares in ET for a subscription price of NOK 1 949.19 by first half of 2023.

Note 11 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	3 965
Computer equipment, copier etc	Annual lease agreements of less than 3 years' duration	89
Means of transport	Until the year 2027	174
Total		4 227

Note 12 Inventories				
Amounts in NOK 1000				
	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
Finished goods	-	-	4 587	
Provisions	-	-	-100	
Total	-	-	4 487	

Note 13 Bank deposits				
Amounts in NOK 1000				
	Parent company		Ocean GeoLoop Group	
	2022	2021	2022	2021
Withheld employee taxes	870	479	2 866	479
Other restricted bank deposits	-	-	2 642	-
Other bank deposits and cash	173 312	142 036	174 322	142 036
Total bank deposit and cash	174 182	142 515	179 831	142 515
Overdraft account	-	-	-	-
Total liquid assets	174 182	142 515	179 831	142 515

Note 14 Share capital and shareholder information				
Amounts in NOK 1000				

At 31.12.2022, 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 31.12.2022 Ocean Geoloop AS had 585 shareholders.

Main shareholders at 31.12.2022:

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 %
MP Pensjon PK	856 608	1,60 %	1,60 %
Pictet & Cie (Europe) S.A.	805 881	1,50 %	1,50 %
GLS Real Estate AS	743 018	1,40 %	1,40 %
Verdipapirfondet First Globalt	726 485	1,40 %	1,40 %
E.T. Holding AS	591 895	1,10 %	1,10 %
Total	41 498 595	78,70 %	78,70 %
Other (less than 1% ownership)	11 216 882	21,30 %	21,30 %
Total number of shares	52 715 477	100,00 %	100,00 %

Shares owned by board members and management of 31.12.2022:

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	Ebbe Deraas	364 667
Board Member	Ole Rogstad Jørstad	429 666
Board Member	Hans Kristian Hustad	398 000
Board Member	Lars Sperre	10 000
Sum		5 617 286

Note 15 Equity					
Amounts in NOK 1000					
	Parent company				
	Issued capital	Share premium	Other paid-in capital	Other equity	Total equity
Equity 31.12.2021	485	206 947	-9 725	-56 516	141 191
Effect from change of principle				11 829	11 829
Equity 01.01.2022	485	206 947	-9 725	-44 687	153 020
Net profit	-	-		-42 762	-42 762
Issue costs			-6 376		-6 376
Issue of shares	42	156 547			156 589
Equity 31.12.2022	527	363 494	- 16 101	-87 449	260 472

	Ocean GeoLoop Group				
	Issued capital	Share premium	Other equity	Minority	Total equity
Equity 31.12.2021	485	206 947	-66 241	-	141 191
Effect from change of principle			11 829	-	11 829
Equity 01.01.2022	485	206 947	-54 412	-	153 020
Business combination	-	-	17 126	10 721	27 847
Net profit			-48 120	-3 608	-51 728
Issue costs			-6 376		-6 376
Issue of shares	42	156 547			156 589
Equity 31.12.2022	527	363 494	-91 781	7 113	279 353

Note 16 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	2022	2021
Total income ongoing projects	66 622	
Total costs ongoing projects	55 871	
Net projects in progress	-10 751	-

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

Note 17 Collaterals and guaranties		
Amounts in NOK 1000		
Guarantee liabilities	2022	2021
Guaranties pledged as security	21 124	-
Total guarantee liabilities	21 124	-

Secured debt		
Liabilities secured by mortgage	1 724	-

Pledged assets		
Shares i subsidiary	1 546	-
Fixed assets	6 978	-
Inventory	3 679	-
Account receiveables	44 864	-
Bank deposit	2 642	-
Total book value of secured assets	59 709	-

Note 18 Provisions for liabilities

Amounts in NOK 1000

Provisions for liabilities	Guarantees	Provisions	Total
Balance 01.01.2022			-
Allocated in 2022	700*	7 000**	7 700
Reversed provisions in 2022			-
Utilized provisions in 2022			-
Balance 31.12.2022	700	7 000	7 700

*) 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. Maximum payment of NOK 16 million is gradually reduced with lower EBITDA levels until zero payment The estimated earn-out obligation of NOK 7 million is based on the managements probability-adjusted EBITDA outcome.

Note 19 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 Kvinnherad, 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 19 Business combination**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



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To the General Meeting of Ocean GeoLoop AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Ocean GeoLoop AS showing a loss of NOK 42 762 000 in the financial statements of the parent company and a loss of NOK 51 728 000 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 2022, 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 2022, 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 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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 er medlem av/er medlem av/er medlem av Den norske Revisorforening.



Independent Auditor's Report 2022 Ocean GeoLoop AS

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. 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 nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. 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, 15 March 2023
RSM Norge AS


Per-Henning Lie
State Authorised Public Accountant



Ocean GeoLoop's summer interns 2022

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