Annual Report 2021

GREENSTAT

About This Report
In this report, Greenstat complies with relevant law and regulations, adopting well-established international reporting frameworks. Greenstat believes in pursuit of best practice in good governance, and transparency as a foundation for building trust with stakeholders.

Reporting Entity
The reporting entity of this annual report is the consolidated group, if not otherwise clearly stated, consisting of the parent company Greenstat ASA and its direct subsidiaries and other companies with an ownershare of more than 50%. The terms Greenstat, Greenstat group or simply the group are used as reference to the reporting entity.

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1. Steady green growth through a year of contrasts

- Well positioned and with an increasingly strong team to deliver

Vegard Frihammer
CEO

2021 was a year filled with contrasts when it comes to green energy, and hydrogen in particular. The year started with a record high pricing of hydrogen and renewable companies, followed by a downward correction throughout the year.

But even if the capital markets have been going through some turbulence, the underlying green trend is more robust than ever. The projects are increasing in numbers and maturity, and the political will to accelerate the green transition has been strengthened throughout the year, especially at COP 26 in Glasgow, November 2021.

For Greenstat, 2021 turned out to be a great year, with successful capital raises, more projects in the pipeline, international expansion (India), first Greenstation pilot, rapid growth in solar energy and more.

Through the year we have continued to develop Greenstat as a robust company, prepared for further growth. This has included an upgrade of our office facilities both in Bergen and Arendal, strengthening of the team, conversion to IFRS accounting, partner agreements, new investors, etc.

When it comes to projects, our hydrogen portfolio keeps growing and more commercial tenders are presented in the market. The hydrogen domain is still predominantly about positioning and securing locations for hydrogen production and offtake, but entering 2022, we are getting closer to final investment decisions for several projects.

After some quiet years, 2021 was a year where solar energy was a clear winner. Due to the high electricity prices, an increasingly number of homeowners want to invest in their own energy production. This has led to an exceptional interest for solar installations, both in the private sector and in the more professional sector.

The EV (Electric Vehicle) sales in Norway have reached all-time high levels in 2021 and the demand for better charging solutions is critical. The Greenstation pilot at Straume, near Bergen, was unofficially named the best charging station in Norway, and we are now rolling out new stations, mainly in the south of Norway.

In December, the revised Greenstat strategy – **Greener-Faster-Better**, was approved by the Board of Directors and this strategy is now implemented and executed by the organization. Two main strategic projects have been identified: Key Projects and Planting the flag (nationally and internationally). In short, we need to succeed with key projects within all sectors to show that our business model is solid, and we need to act fast when it comes to flag planting opportunities to secure new positions. This can be achieved either by establishing new offices, investing in companies, or developing projects.

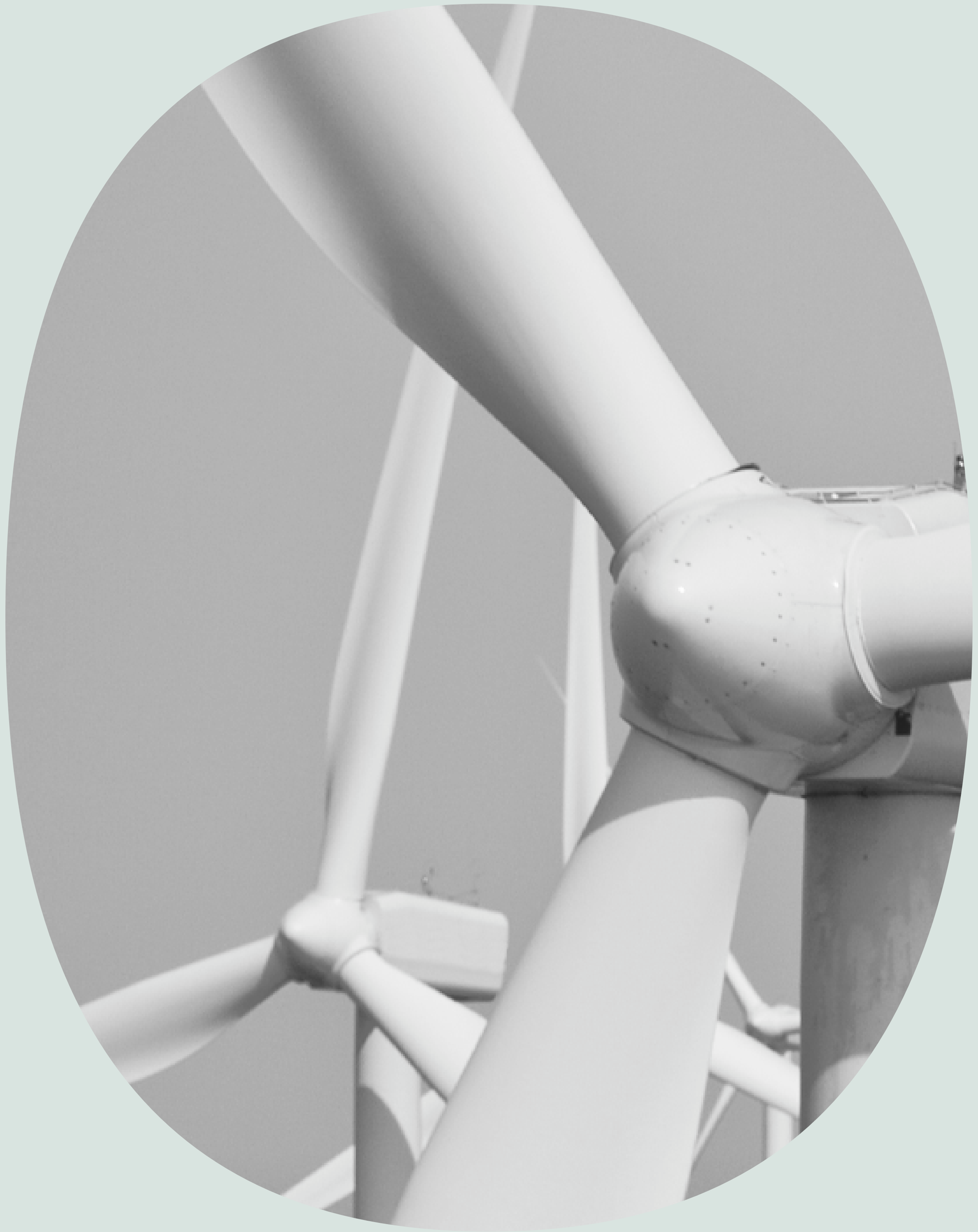
The strategy further defines the following strategic focus areas:

- Governance (including ESG reporting)
- Finance (funding strategy, potential listing, debt etc.)
- HR, Recruitment, Research and development
- Greenstat model
- Storytelling

One of the key roles as the CEO of the company is to make sure that all our skilled people have the resources needed, so that they can use their talent and capabilities to create value to the society and to our shareholders. Currently Greenstat is more robust than ever, but with all the opportunities and projects lined up we have no time to rest. We need to speed up and scale up all aspects of our business.

Entering 2022, I am proud that Greenstat is both an active contributor to the zero-emission transition and that we are well positioned to succeed commercially.

#makinggreenhappen



2. Strengthened industrial focus

- Well positioned for further growth

Bernt Skeie
Chairman of the board

Greenstat was founded in 2015 with a mission to develop, own and operate projects related to a more sustainable production and usage.

The main focus over the first years has been to develop a portfolio of projects and investments that both allows for a focused strategy within specific areas, and a holistic and value chain driven approach across sectors, always seeking the best solutions based on available knowledge and technology.

As the world has embraced the green shift and more and more market opportunities are opening, it is important for Greenstat to prepare for a rapid scale up, delivering robust projects in strong competition with other players in the market.

A key milestone for Greenstat in 2021 was the introduction of Aker Clean Hydrogen as the largest owner with an ownership of approximately 20%. This provides the company with industrial ownership and capital that is needed when projects mature and go into realization.

That the company also managed to attract additional funding from a broad range of existing and new investors, leading to a total capital raise of approximately 200MNOK was very positive in a year that was difficult for many companies within the green energy segment.

When it comes to projects, it is reassuring to see that more and more projects are maturing and that the potential pipeline is growing. Over the next period it will be important to secure the right resources to deliver on projects, and to secure a steady flow of new projects in the pipeline.

For the financial year 2021, Greenstat had a negative result of -34,3 MNOK. This was in line with the prognoses and is reflecting the increased activity level. The burn rate has been stable, and the board is pleased to see that income increased towards the end of the year. This is mainly due to consultancy and sale of solar energy installations.

The new strategy "Greener, Faster, Better" that was approved by the board in December, after a thorough process during the second half of 2021, provides a good framework and concrete action points on how to achieve the long term vision towards 2030 and short term deliveries towards 2025.

In summary, the Board is pleased with the progress made in 2021 and believe that the company is well positioned for further growth towards 2025.

3. Highlights of the Year

Q1

- Aker Clean Hydrogen enters as the largest shareholder controlling 20% of the shares.
- Pilot E award to H2 Marine.
- Increase ownership in Valsneset wind farm (in operation) to 10%.

Q2

- Strategy seminar and team building in Arendal (picture)
- Capital raise 85.5 MNOK
- Greenstat and Norgeshus enters a national partnership agreement.
- Greenstat joins the Norseman-consortium that will apply for permission to construct and operate offshore wind farm in Sørlige Nordsjø 2.
- Elgane Vind AS founded by Greenstat and locals in Hå municipality. First wind power project in Norway where locals are invited in as co-owners.
- Solar panel installations and the acquisition of Energifarmen AS, establishing Greenstat Energy Installations AS

Q3

- Capital raise 114.2 MNOK
- Opening of the first Greenstation at Straume outside Bergen
- Greenstat and Everfuel enters a partnership agreement on production and distribution of green hydrogen, focusing on Southern Norway.
- Green Platform award to H2 Marine for their Zero-Coast project.
- Investment in production of hydrogen at Stord. Greenstat's first hydrogen-facility.
- 3 Greenstat projects receive "Feasibility Study Funding" of 1 MNOK from Enova: H2 Marine in Rørvik, Lutelandet (HTWO Fuel) and Hydrogen Hub Agder.
- Opening new office in Mumbai, India.

Q4

- Greenstat designs and installs the largest solar installation to date: 360 solar panels (with a total capacity of 122 kWp) and battery package in Grimstad.
- Greenstat enters a rental agreement for a 16 000 m2 area at Kjerlingland, Lillesand, with the aim of realizing a Power to X system with wind, solar and hydrogen-production.
- New strategy: Greener Faster Better


Foto: Cecilie Bannow

4. Strategy

Greenstat is the green transition company, structured to encompass the disciplines required to understand a holistic change to our energy system through solar, wind and hydrogen power. The company works close to its markets and strives for local anchorage in order to be partners in change. In Norway and India, a triple helix model of innovation, emphasizing cross-sectoral cooperation is utilized.

"Making Green Happen" – is the company vision. Greenstat brings competence and innovative force to the green energy transition and shall contribute to a zero-emission society by developing and investing in projects and companies within renewable energy production, storage, distribution and consumption.

The threat of climate change has finally set into motion a global green transition, moving from fossil energy to renewables at a scale and pace not previously seen. However, the scale and speed required is often under appreciated. A renewable energy economy must expand at the same pace as the fossil-fuel economy strives to keep jobs and energy prices stable.

Critically, the transition pace is slowed by economic and social barriers, not technology. Most of the technology required to achieve ambitious climate goals already exists, but to drive a fair, effective and fast transition governments, business, and R&D need to act with unity. Governments set the targets and create the framework necessary for change. Bilateral cooperation and international standards are also required to ensure a fair and consistent transition.
The studies and technologies developed by our research institutions show the world what is possible within that framework. Businesses along the value chain create the economy of transition that will drive sustainable growth. Within this landscape Greenstat is positioning itself as a tool for holistic societal development.

With a lean and mean organization, Greenstat can go for the best market opportunities in the green shift - where adaptability, speed and cost focus will be decisive criteria for success. Greenstat considers it important to have ambitions in line with large companies, but at the same time take advantage of being a flexible and innovative player.

Foto: Cecilie Bannow

Objectives 2030

- Greenstat should have contributed to a significant reduction in fossil emissions.
- Greenstat should be a dominant player in hydrogen in Norway and be well represented internationally.
- Greenstat will have a strong position as a supplier of local energy systems. (Use Solar and wind power to produce Hydrogen Power)
- Greenstat should have developed a strong brand in selected areas (e.g., maritime) that capitalize on the entire value chain from production to consumption.
- Greenstat will be one of Norway's most attractive companies to work for.
- Greenstat should have contributed to a significant increased value for its shareholders.
- Greenstat should be valued at 100 BNOK.
- Greenstat should be profitable.
- Greenstat must be a public company for the people.

5. Financial Statement

Group annual accounts are consolidated and reported compliant to the International Financial Reporting Standards (IRFS) as adopted by the EU. The financial statement covers the accounting period from 1 January 2021 to 31 December 2021.

Consolidated Accounts
2021 is the first year annual accounts is reported on the IFRS standard. The decision to change accounting principles from NGAAP, which was the guiding accounting principle up to 2021, to IFRS is part of a preparation and adjustment for future IPO and exchange listing.

2021 is the first time annual accounts are reported on the IFRS standard. The decision to change accounting principles from NGAAP, which was the guiding accounting principle up to 2021, to IFRS is part of a preparation and adjustment for future IPO and exchange listing.

In 2021 (with the corresponding 2020 numbers in paranthesis), the revenue of the group amounted to 11.4 MNOK (6.6 MNOK), while operating expenses was 45.5 MNOK (25.9 MNOK), resulting in an operating loss of 34.1 MNOK (19.4 MNOK). The main expenses were personnel expenses and other operating expenses primarily related to maturing and diversifying project portfolios and business development in subsidiaries. Total loss for the period ended at 41.4 MNOK (11.2 MNOK).

Total assets for the period amounted to 236.7 MNOK (62.3 MNOK), of which 173.1 MNOK (41.4 MNOK) was cash. The group has no interest carrying debt arrangements in the period. Total equity amounted to 220.4 MNOK (56.5 MNOK) at year end 2021.

Net change in cash flow is positive with NOK 131.7 MNOK (30.7 MNOK). There is a net cash flow loss from operating activities at 25.6 MNOK (10.4 MNOK), and a net cash flow loss from investing activities at 42.7 MNOK (8.5 MNOK). A total of 200 MNOK (49.5 MNOK) was raised in capital raises during the year. The difference in raised capital from parent company mainly derives from IFRS including non-controlling interests, purchase of own shares and payments from the principal portion of lease liabilities to the raised capital amount.

Total external investments in 2021 amounted to 27 MNOK (7.4 MNOK). Most of the investments are executed by the parent company, while the investments in Vimle AS and Elgane Vind AS are executed from subsidiaries Greenstat Industrivind AS and Greenstat Energy AS.

There are no external debt obligations for the company nor the Group.

Parent Company Financial Statement (Greenstat ASA)
Greenstat ASA is the parent company of the Greenstat group. All operational activities are placed with the group's subsidiaries, while the parent company provides financial, administrative and managerial support to the subsidiaries.

Annual accounts for the parent company and subsidiaries are reported using the NGAAP accounting principles.

In 2021 (with the corresponding 2020 numbers in paranthesis), the revenue of the company amounted to 4.8 MNOK (2.3 MNOK), while operating expenses was 36.2 MNOK (15.9 MNOK), resulting in an operating loss of 31.5 MNOK (13.6 MNOK). The main expenses were personnel expenses and other operating expenses primarily related to maturing and diversifying project portfolios and business development in subsidiaries. Total loss for the period ended at 30.7 MNOK (18.9 MNOK).

Total assets for the period amounted to 227.1 MNOK (51.4 MNOK), of which 163.3 MNOK (37.3 MNOK) was cash. The company has no interest carrying debt arrangements in the period. Total equity amounted to 221.7 MNOK (49.4 MNOK) at year end 2021.

Net change in cash flow is positive with NOK 126 MNOK (28.1 MNOK). There is a net cash flow loss from operating activities at 14.1 MNOK (11.1 MNOK), and a net cash flow loss from investing activities at 59.4 MNOK (11.9 MNOK). The discrepancy between ordinary result and the cash flow loss from operating activities is mainly derived from net impairment of assets at 16.8 MNOK, which is for the most part connected to provisions for doubtful loans from subsidiaries. A total of 199.4 MNOK (51 MNOK) was raised in capital raises during the year.

Allocation of Net Loss
The group has a loss of 41.4 MNOK for 2021, mainly explained by the company's life cycle moving from a start-up to a scale-up phase, investing heavily for future growth and profit. Some of the green business areas are still immature markets dependent on governmental incentives.

The board proposes the net loss of the year to be allocated to share premium.

Going Concern

Both the Russian invasion of Ukraine and post covid consequences have an impact on business operations, making production components and global shipping and supply lines more unstable. However, by the year end of 2021 the company has no external debt and a solid liquidity reserve. The Financial Statements have been prepared under the assumption of going concern, and the Board of directors confirms that this assumption is in accordance with the Norwegian Accounting Act § 3-3a and § 4-5.

Future Prospects

Greenstat operates in a long-term perspective. The markets for the core business-areas of hydrogen, wind and solar power are still not completely matured; that goes particularly for hydrogen, relying on large investments and government support. Hence, Greenstat is now investing heavily in project development, and by doing so, are building the foundation for future operations and profit.

The Group is engaged in several exciting projects, both individually and in partnership with other peers, and seizes new opportunities within all core areas of its operations. The international venture continued with the opening of a new office in Mumbai. The market for solar panel installations was booming at the end of 2021 due to the all-time high electricity prices and the demand continues to increase entering 2022. The completion of the pilot charging station for EVs outside Bergen was another milestone in 2021 that will continue the growth as new stations enter the pipeline for rollout in 2022.

2022 continues with exciting projects which strengthens Greenstat's position as an important player and driving force in the green transition, and well suited for further growth.

The Share

The Greenstat ASA share is private. Senior executives will however during 2022 participate in Oslo Stock Exchange's IPO (Initial Public Offering) Ready program with the intention of an initial listing in due course. No dividend has been paid during 2021.

At the beginning of 2021 the share was priced at NOK 4.00, increasing to NOK 7.50 as of 31 December 2021, an 87.5 % boost. Four capital raises were executed in 2021, raising a total of 199.4 MNOK:

Capital raises 2021

Nr.	*Raised capital NOK*	*Nr shares issued*	*Target*
1	68 750 000	12 500 000	Aker Clean Hydrogen AS, Meteva AS
2	16 453 547	2 991 554	Existing Investors
3	52 266 750	6 968 900	Institutional Investors
4	61 930 058	8 257 341	Open Capital Raise

Topp 10 investors

Nr.	*Investor*	*Nr of shares*	*Nr of shares in %*	MV (NOK 7.5/share)
1	Aker Clean Hydrogen AS	13 500 000	20.84%	101 250 000
2	Meteva AS	2 711 667	4.19%	20 337 503
3	Pollen Vind AS	1 327 495	2.05%	9 956 213
4	Myrlid AS	1 000 000	1.54%	7 500 000
5	Ole Petter Skonnord	961 138	1.48%	7 208 535
6	Stiftelsen Universitetsforskning	897 667	1.39%	6 732 503
7	Oddvar Lien	800 000	1.23%	6 000 000
8	Austavind AS	666 667	1.03%	5 000 003
9	Saga Pure ASA	666 666	1.03%	4 999 995
10	Nordic ESG and Impact Infrastructure	573 333	0.88%	4 299 998

As of 31 December 2021, Greenstat ASA had 1,750 shareholders and the top ten shareholders accounted for 35.66% of the share capital.

Greenstat ASA has only one share class and all shares have equal rights in the company. There are no restrictions on owning, trading or voting for shares in the company

6. Sustainability Goals

Greenstat is a *Green Transition Company* set up with the sole purpose of working to reduce emissions and replacing fossil fuels with renewable energy. The company has highly motivated employees dedicated to the green transition. As a tool for doing that, Greenstat has developed a *green frame* that indicates the different business areas acceptable given the company's values and philosophy. The frame describes the agency and is an important decision tool for assessing new business areas and projects. The environmental aspect will always weigh more than the financial aspect when choosing projects. Since Greenstat is set up to contribute to emission reduction, all the company's projects are assessed in that context. Greenstat believes that a zero-emission society is possible, using already existing technology.

Greenstat supports the global sustainability agenda, including the UN Sustainable Development Goals (SDG) and global climate change agreements, and believes all goals are interlinked and needs to be assessed simultaneously. Greenstat is part of Klima-partnere and assesses the company's emis-sions every year under the GHG protocol.

Still, four goals have been identified as particularly important as to where Greenstat believes its business areas and projects can have a real impact:

#7: Affordable and clean energy
Ensure access to affordable, reliable, sustainable and modern energy for all.

#9: Industry, innovation and infrastructure
Build resilent infrasructure, promote sustain-able industrialization and foster innovation.

#13: Climate action
Take urgent action to combat climate change and its impacts.

#17: Partnerships for the goals
To revitalize the global partnership for sustainable development

In the year to come, Greenstat will work on assessing the company's environmental impact in a more quantitative way. A material assessment will be executed and project specific decisionmaking tools ensuring all areas of company activities are accounted for, will be developed. A taskforce working on all aspects concerning the ESG agenda is set up.

7. Organization

Greenstat is organized with Greenstat ASA as the parent company. The group consist of subsidiaries and other companies with an owner share above 50%:

Greenstat Hydrogen AS, Greenstat Energy AS, Greenstat Industrivind AS, Greeensight AS, Greenstation AS, Greenstat Asia AS, Greenstat Energy Installation AS and Elgane Vind AS. Greenstat Industrivind AS and Greenstat Asia AS are pure holding companies, while the rest have employees and are engaged in company operations.

Associated companies (ownershare less than 50%) are tied to either production portfolios within hydrogen, wind and solar energy and consist of: Glomford Hydrogen AS, Meraker Hydrogen AS, Viken Hydrogen AS, Stord Hydrogen AS, Narvik Hydrogen AS and Vimle AS.

Other investments are companies with a lower ownershare than 20%: H2 Marine AS, Green Yacht AS, Everfuel, Aker Clean Hydrogen AS, Tidetec AS, Evoy AS, Altered Power AS, River Simple Ltd, Kruser AS, Hyres AS, Green Waves AS and Greenlabs.

Office locations

HQ is located at Fantoft, on the outskirts of Bergen city centre. The other main office locations is Arendal. In addition, the solar panel installations crew is mainly based in Larvik, and some employees are also located in Oslo and Ålesund.

Foto: Shutterstock

Management

Vegard Frihammer
CEO
Greenstat

Siri Østerhus
CFO
Greenstat

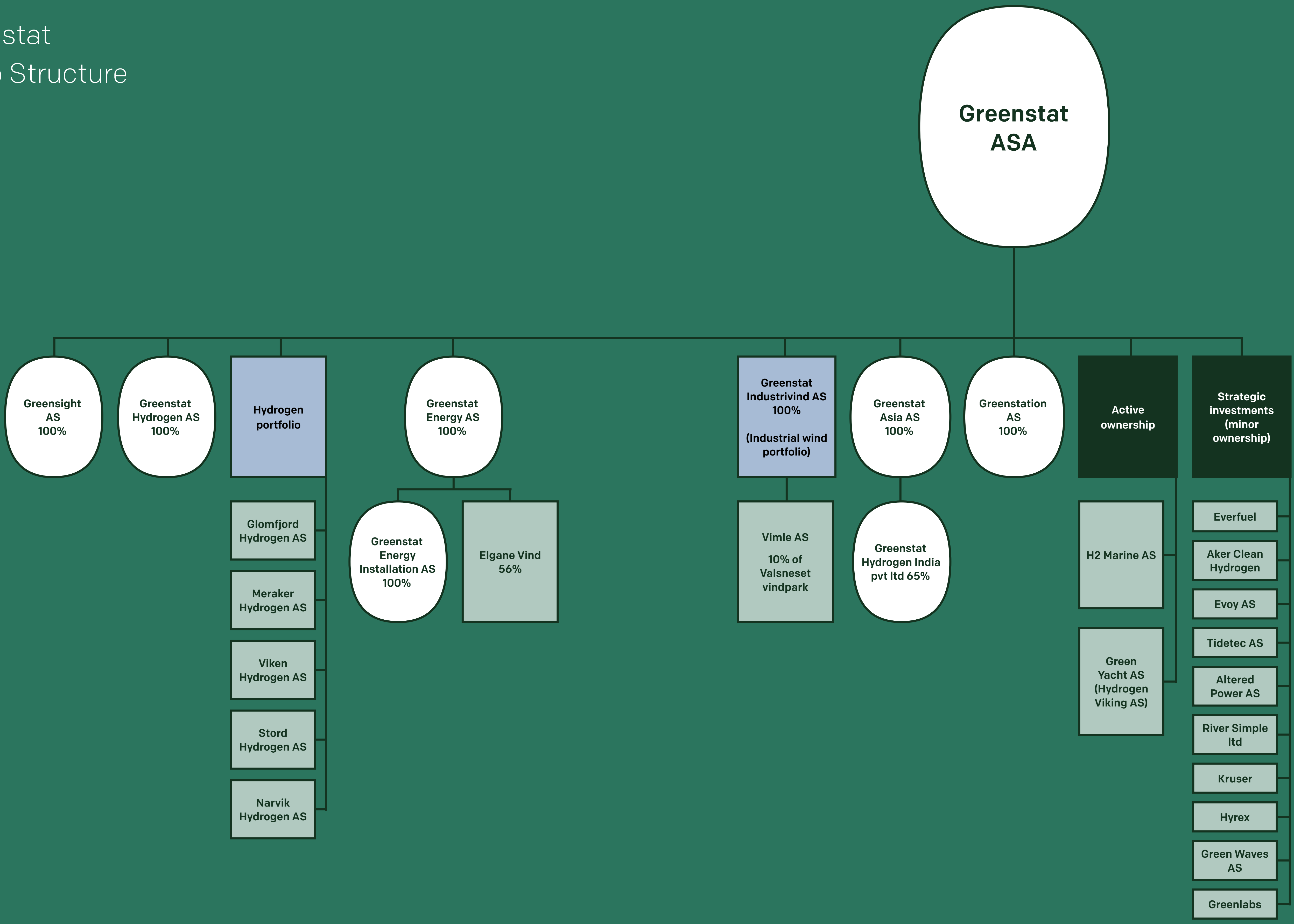
Karen Landmark
Chief Strategy Officer
Greenstat

Torstein Thorsen Ekern
Managing Director
Greenstat Energy AS

Kjetil Trovik Midthun
Managing Director
Greensight AS

Tomas Fiksdal
Chief Project Manager
Hydrogen

Greenstat
Group Structure



8. Company Review of the Year

8.1 Operational Review of the Year
In this section each of the Greenstat subsidiaries give their operational reviews of 2021.

8.1.1 Summary Greenstat Hydrogen AS
Greenstat Hydrogen AS has exhibited good development in 2021, building on the good work that has been executed in the company during the previous years. The team has taken on new and leading positions in interesting and profiled projects and tenders.

In 2021 H2 Marine AS, one of the companies in the hydrogen production portfolio, invited Greenstat Hydrogen AS into the very exciting Grønn Plattform consortium with the aim of realising a complete value chain for the production and bunkering of green hydrogen, as well as the development of hydrogen-powered vessels for the fishing industry. This consortium was awarded a total funding of approx. 120 MNOK (H2 Marine 37 MNOK). The development work is well underway, and Greenstat Hydrogen AS is responsible for the technical development work for hydrogen production and bunkering.

Regarding the Pilot-E project, where H2 Marine achieved funding in 2020 to a similar project as the Grønn Plattform project, the detailed engineering was finished in 2021, and the project could enter into the next phase.

Through Greenstat`s ownership in SPV`s (Special Purpose Vehicle) and other hydrogen companies, Greenstat Hydrogen AS was well positioned in many exciting projects and tenders related to the production and sale of green hydrogen during the year. Examples are production of large-scale hydrogen through Glomfjord Hydrogen (Vestfjorden Tender), production of medium and small-scale hydrogen for Stord Hydrogen, production of large-scale hydrogen through Meråker Hydrogen and local hydrogen production for the aquaculture industry under the auspices of H2 Marine. Several of the bidding competitions will be decided in 2022, with well-defined beliefs that Greenstat Hydrogen AS will win some of these.

Greenstat Hydrogen Poised to Show Good Progress in 2021. From left: Tomas Fiksdal, Manager Greenstat Hydrogen and Are Sæbø, Project Manager Hydrogen

In 2021, Greenstat Hydrogen AS was also involved in several theoretical development projects, including a study with the University of Bergen, Western Norway University of Applied Sciences and others, where the possibilities for utilisation of offshore wind and challenges in transporting the power directly as electricity or in hydrogen production, are highlighted.

Greenstat Hydrogen AS was also in 2021 well represented on the Board of Directors of various important hydrogen networks and interest organisations, including the Board of the Norwegian Hydrogen Forum.

Greenstat Hydrogen AS' ambition is to grow significantly towards 2025, and in 2021 one new resource was hired, and one intern was offered to start working as an employee after completion of master's degree in 2022. It is important for Greenstat Hydrogen AS to already begin taking the steps toward becoming an operating company that within a couple of years has production and sales of green hydrogen as the main source of income.

Solanlegg for Mandal Kjøleservice, desember 2021.

8.1.2 Summary Greenstat Energy AS
Greenstat Energy AS: Solar, wind and hydrogen combined in good interactions

Greenstat Energy AS was established in Arendal in August 2019, focusing on wind power in industrialized areas (Industry windpower) and solar power. During 2020 and 2021 the company also engaged in activities and has taken strategic positions within hydrogen projects in Agder, more full-scale and fully integrated holistic energy-systems and offshore wind.

Wind
In March 2021, the ownership in Valsneset vindkraftverk (wind turbines) was increased from 3,3 % to 10 %. This is a 12,6 MW wind power-project in the peninsula of Valsneset in Trøndelag which is regulated to a combined wind power and industrial area. Valsneset windcraft power produced 40,7 GWh in 2021, a production amount very much in line with the annual estimates. Greenstat Energy AS is continuously assessing new opportunities for acquisitions within windpower.

Greenstat Energy AS is cooperating in developing several projects within the concept of #Industrywind. One particular project under development is Elgane wind turbines in Hå municipality, with a production capacity of approximately 16 MW. Elgane wind turbines are located on a plot of land also consisting of a motorsport center and pasture areas. During the first half of 2021, locals at Elgane and Hå municipality were invited to join the project as investors/co-owners. This is a new ownership model in Norway but is widely used in Denmark through local 'Vindmøllelaug'-wind turbines-associations. The response from the local population has been very good, and the project is now owned by Greenstat and 62 local co-owners through a dedicated company project called Elgane Vind AS. This is a model we want to use on several of our energy projects going forward.

When it comes to offshore wind, Greenstat Energy AS is part of the Norseman consortium that wants to expand Sørlige Nordsjø 2. The process around this process is slow; the announcement for Sørlige Nordsjø 2 is not yet ready.

Solar
GreenstatASA acquired the solar company Energifarmen AS in June 2021, renaming it to Greenstat Energy Installation AS (GEI AS). At the same time as Sebastian Farmen and Sveinung Isaksen were employed by Greenstat Energy AS. The two companies have cooperated on several projects before the merger, making the merger a good match. This also represented a change of pace in the group's solar investment.

GEI AS has completed an increasing number of projects for external customers during 2021. While starting mostly with residential houses, there is now a turning to more commercial buildings and larger installations. In total, GEI AS has designed and installed about 300 kWp in 2021. The number of projects and the size of projects has increased significantly further into 2022, providing an opportunity to prioritize between different solar projects.

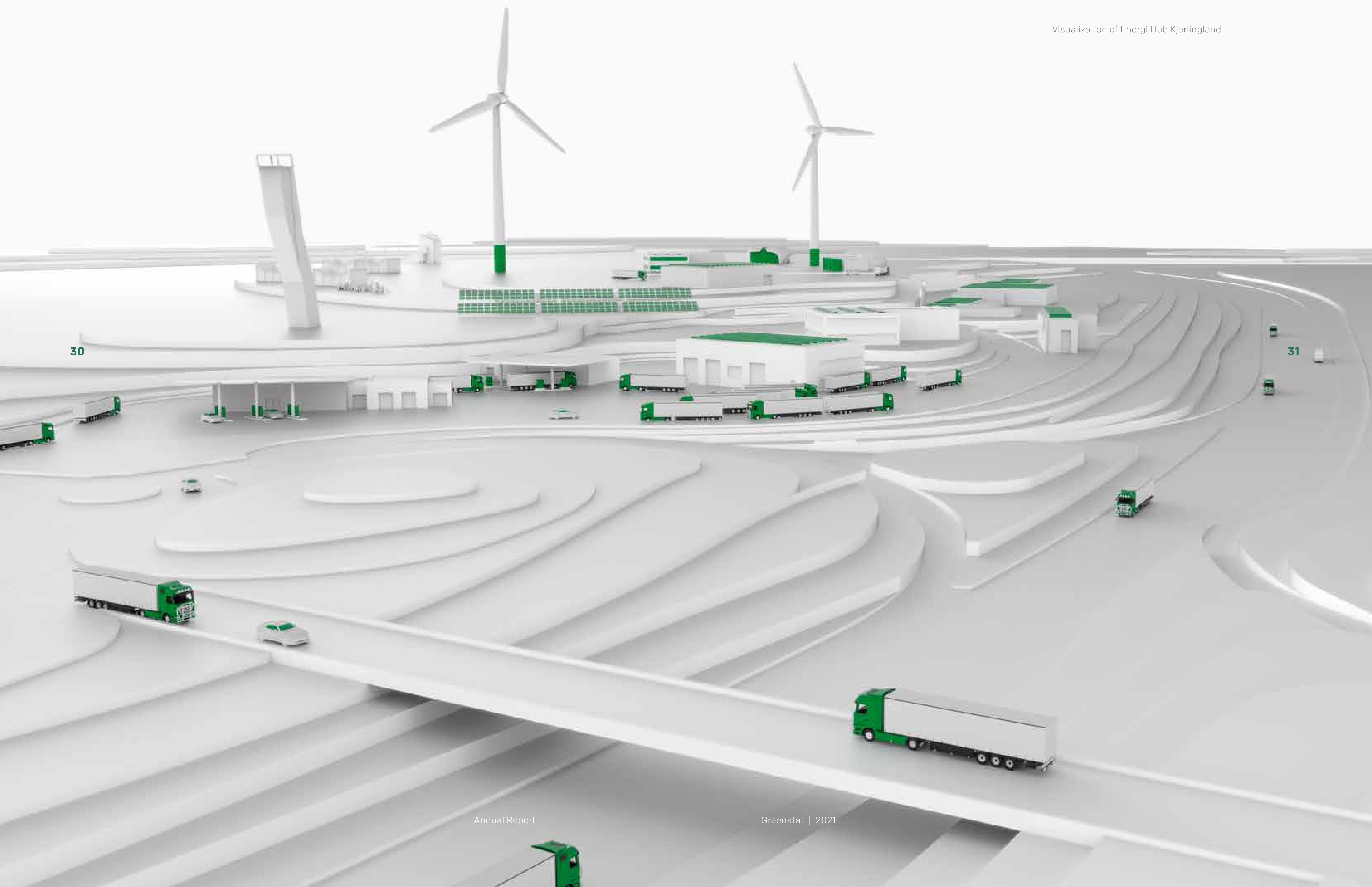
Greenstat Energy AS entered into a cooperation agreement with Norgeshus in April 2021. All Norgeshus' customers can now receive solar energy systems from the company when building a new house. These projects will be designed by GEI AS installed by Norgeshus' craftsmen. Number of projects via the Norgeshus collaboration is increasing.

Greenstat Energy AS otherwise has some major collaborative projects that are believed realized during 2022 or 2023, both within land-based fish-farming and very large industrial buildings. These are projects from a few hundred kWp up to several MWp installed power/effect.

Greenstat Energy AS is also planning to build and own its own solar power plants (> 1 MW). Several exciting opportunities regarding solar power plants in both Norway and abroad have been analysed that will be solidified during 2022.

Hydrogen and energy-systems
A key project for Greenstat Energy AS is Energi-Hub Kjerlingland. In Energi-Hub Kjerlingland, local energy production from wind and solar combined with the production of green hydrogen will supply heavy transport vehicles along the E-18 with renewable fuel. During 2021, Greenstat Energy AS has worked on a preliminary project in collaboration with JB Ugland. This pilot project has been funded by Innovation Norway. An important milestone for Energi-Hub Kjerlingland was achieved in November 2021 with a lease agreement of 16 acres for the location of a wind, solar and electrolysis plant. Work on Energi-Hub Kjerlingland will continue with full speed ahead during 2022 with planned realization in 2024.

Visualization of Energi Hub Kjerlingland



Greenstat Energy AS also works closely with Greenstat Hydrogen AS to identify and seize hydrogen opportunities in Sørlandet area. This has resulted in an exciting collaboration between Everfuel and Greenstat on the development of the Hydrogen hub, Agder. Hydrogen hub Agder received pre-project support from Enova in September 2021, and good work has been done on the project right up until the submission of the main application for a maritime hydrogen hub to Enova in April 2022.

8.1.3 Summary Greensight AS

Greensight AS focuses on advisory and consultancy services within renewable energy systems, and in 2021 a particular focus was held on portfolio development within the green hydrogen value chain. High ambitions for the development of hydrogen value-chains have been announced both nationally and internationally, intending to lower emissions and increase value. The transition to a green economy further strengthens the need for decision support and analysis within hydrogen value chains and renewable energy systems in general. With vast experience and knowledge, Greensight AS has been able to assist decision makers with market analyses, strategic positioning, techno-economic analyses, and decision support. In addition to assisting ongoing internal activities in Greenstat, Greensight AS has also worked with several large national energy companies, public authorities and other companies with a potential role within the emerging hydrogen value-chains. The Greensight AS portfolio of projects has given opportunities working within the complete value-chain, increasing the insights and competence at the systems level.

In August, Kjetil Midthun started as Head of Greensight AS. Kjetil comes from the position as Head of Production planning at BKK Produksjon (now Eviny Fornybar) and has 11 years of experience from SINTEF. He has a PhD in business economics from NTNU, and in total he has over 20 years of experience from working with energy systems and energy markets. Towards the end of 2021, Marte Waage Haga was hired to further strengthen the Greensight team. Marte started in March 2022, joining Greensight AS from Equinor, and brings with her valuable knowledge that will benefit Greensight's further development.

In 2021, Greensight AS also participated in international projects related to the initiatives from Greenstat in India. In addition to developing a regional feasibility study in India, Greensight also sent several offers for new projects to large Indian companies with ambitious plans for development of hydrogen production. Towards the end of the year, a proposal for a project in cooperation with the largest port in Slovenia was also submitted. This proposal has just been approved, and the team is now very much looking forward to assisting Luka Koper with studies and analyses for how to transition into a green port.

With an interesting portfolio of national and international projects, the team look forward to 2022 where the most important tasks will be to further strengthen the Greensight portfolio and continue to develop the Greensight team.

8.1.4 Summary Greenstation AS

In 2021, the Greenstation concept was further developed with the realization of the first Greenstation at Straume in Øygarden municipality in September. This station was established with the intention of using customers to pilot the concept. The team focused on testing all hardware and software technology utilizing a full user experience of the concept for "Tap and Charge", whilst building on technology elements such as App, automatic number plate recognition (ANPR), charge point allocation, queue system, etc. For the time being, the pilot station only offers charging for electric cars, but in the future Greenstation will offer both electric vehicles charging as well as hydrogen filling.

Throughout the year, new supplier agreements were entered into and strong collaboration between parties was established. The design elements for additional infrastructural features of the Greenstation concept began to take form.

The team continued working in parallel with identifying possible locations for the roll out of Greenstations throughout Norway from 2022. Future for upscaling globally are targeted for 2023.

In December 2021, an interim full-time resource was assigned to the Greenstation team for gaining further ground on concept development, organizational development and roll-out for 2022.

Several articles about the Greenstation have been written in regional and national media throughout 2021, and access to these articles can be found on the Greenstat website. Greenstation is documented as Norway's most user-friendly electric car charging experience for customers alike.

Read more about Greenstation here greenstation.no

8.1.5 Summary Greenstat Asia AS

There has been a considerable amount of activity related to the investment in India over the past year, through the subsidiary Greenstat Hydrogen India Pvt Ltd (GHI).

In September, GHI opened an office in Mumbai and set up a team to work on project development in close cooperation with the team in Norway. GHI will own and operate green hydrogen facilities, alone or in partnership with other stakeholders. The company actively seeks investments that are supported by targeted public expenditure, policy reforms and regulation changes to create the "enabling conditions" for an inclusive green economy. Our strategy aims to accelerate all progress towards a green economy.

GHI has partnered with multiple prestigious organisations like TERI, Indian Oil, Axis Energy Ventures, Ayana Renewables, TUV India Pvt. Ltd., and Sterling & Wilson to accelerate green hydrogen development in India. The company is working extensively on the techno-economic feasibility of setting up green hydrogen plants in India, indigenization of green hydrogen technologies, development of safety standards and regulations, and applications of green hydrogen in inland waterways and maritime, among others.

In addition, GHI has established a close collaborative relationship with the company H2ePower. H2ePower has extensive expertise in fuel cell technology and electrolysers. Furthermore, their broad experience and network in the Indian business market make the company's close connection to GHI very valuable for further development.

Greenstat opened "the Indo-Norwegian Center of Excellence for Hydrogen" in the R&D area of Indian Oil and participated as a co-organizer of the International Climate Summit in Delhi (ICS 2021), together with PHD Chamber of Commerce India (PHDCCI) and Invest in India. The summit in September was successful in opening for further Indo-Norwegian cooperation on green hydrogen.

Indo-Norwegian Center of Excellence for Hydrogen (CoE-H)
To facilitate GHI's establishment in the Indian market, Greenstat has moved forward in developing the CoE-H to create collaboration across our two countries and in such optimise GHI's position in the hydrogen value chain.

In the autumn, Greenstat established a tighter collaboration with Team Norway, who has been assisting our team in holding webinars jointly with the Indian Energy Storage Alliance (IESA).

Greenstat has also contributed to several R&D activities related to the CoE-H:

- Submitted an INTPART application 2021. Sent in new application by March 2022, through a consortium consisting of Greenstat, SINTEF, NTNU, HVL and UIA.
- Collaboration with HVL on developing a course package ready for the Indian market, planned for autumn 2022.
- Greenstat is an industry partner with Christ University, related to a large R&D project. The project is 5 years old and supported by DST in India
- Greenstat is a partner to CoE Process Safety and Hydrogen Economy at IIT Delhi. The work will be followed up in relation to the INTPART project.
- Ongoing collaboration with Shriram Institute in Delhi to set up a COE there as well. Here Greenstat is also collaborating on a project aiming to substitute LPG cylinders used for cooking with green hydrogen. Greenstat has applied for financial support from NORAD

BOO and PreFEED analysis
In the short term, industrial application is the natural starting point for the introduction of large-scale green hydrogen production. Since most of the existing, global (and Indian) hydrogen consumption is grey hydrogen for the industry. As such, the Indian authorities have set a goal of replacing 10 % of the current grey hydrogen consumption with green hydrogen by 2023 and 25% by 2030. State-owned companies representing large consumption of grey hydrogen are now eager to get the first pilots with large-scale production of green hydrogen in place.

GHI in collaboration with Greensight AS have been engaged in several feasibility studies on its own initiative as well as in bids.

Feasibility studies and development of hydrogen road maps:

- TIDCO RFP "Preliminary study: feasibility study of investments in hydrogen projects in Tamil Nadu": GHI and Greensight, together with TUV India, collaborated in a bid.
- GHI together with Accenture engaged in a bid announced by the World Bank to develop a Hydrogen Roadmap for Himachal Pradesh and GIS Mapping of the same area.

Greenstat Hydrogen India (together with strategic partners), sent in their Expression of Interest (EoI, 29th of December) to take part in the bid from Indian Oil in two such "pilot projects"; Mathura Refinery (5000 TPA, 35 MW electrolyser) and Panipat Refinery (2000 TPA, 18 MW electrolyser) with a total project cost of approximately 50 MUSD.

The goal is to get concretely involved in at least one pilot project in 2022, of at least 10 MW size. To achieve this goal GHI will:

- establish alternative consortiums - to get closer to MoU partners as well as find the best teams that position the company for the optimal projects.
- offer and carry out feasibility studies related to different needs within the different value chains (industry, land transport, air transport, network balancing, stationary needs and back-up) as well as techno-economic analyses of the establishment and operation of hydrogen production facilities, storage, and distribution.

In connection with specific tenders for hydrogen production facilities, GHI will facilitate the partners to establish JVs / SPVs jointly based on a pre-agreed ownership fraction and assigned roles. Greenstat Hydrogen, India's ambition, will be to own 30% of the project. In the early phase, the company is focusing on further developing local expertise related to pre-feed analyses and project management, while gradually developing its expertise to take part in the EPC part of the projects as well as operational responsibility for the hydrogen plants.

Alternative business opportunities
As the implementation of hydrogen in India (and the rest of the world) is at a relatively early stage, it is natural for a company, like Greenstat Hydrogen India to be vigilant to further develop the company's business model and be open to alternative business opportunities within the value chain that will emerge along the way. An example of a business opportunity will be to take part in the establishment of an electrolyser plant in India. Based on the expected upscaling of production facilities for green hydrogen, there will be a need for an enormous number of electrolysers. It is also important with a sharp upscaling to reduce the investment costs of such facilities. At the same time, the Indian authorities are strongly focused on facilitating innovation, development and production with local, Indian resources and have therefore established Production Linked Incentive (PLI) Schemes in India for hydrogen.

8.2 Corporate Governance
The group structure will be revised during first half of 2022, optimizing set-up for future operations and growth. Following this change, a new and more adapted corporate governance framework with associated policies, code of conduct and decision hierarchy will be outlined during second half of 2022.

Investment decision hierarchy is, however, unchanged. Whether it is an investment in companies or projects for adding to the production portfolios of hydrogen, wind or solar energy, or in companies working for the green transition and creating alternatives to fossile solutions, the procedure is:

A detailed investment-case is delivered from professionals in the subsidiaries to an Investment Committee consisting of CEO, CFO, Head of IR, CSO and the subsidiary manager raising the investment case.

All Board-members and Senior Managerial Officers of the group, including managers of subsidiaries, are covered by a Directors & Officers Liability Insurance. The insurance covers personal legal liabilities including defence, PR and legal costs.

8.3 Risk
Risk Management is primarily defined by the risk universe of the group and by structured internal control monitoring and managing actions to mitigate the risks. Greenstat is in a scale-up phase and in a process of implementing appropriate internal control according to the development and growth of the business and the administration.

On a top level, Greenstat is exposed to the following main risks:

8.3.1 Financial Risk
Financial risk refers to credit, liquidity and profitability risk. Greenstat is in an

investment phase, investing in projects and knowledge for future growth and profitability. To be able to realize these investments and projects, there will be a significant capital need in the short and medium term. In such an intermediate phase, solid financing is essential for the group's future success. Therefore, there is a risk that the group will not be able to provide sufficient funding until the operational cash flows may materialize after the current investment phase. When it comes to engaging in the proper projects and investments, financial risk is sought mitigated by the four-eyes-principle. For investment decisions, an investment case is created for all new prospects and then thoroughly discussed in the investment-committee reaching the final decision. A similar process is about to be implemented for project-decisions to mitigate the risk of being involved in the wrong projects. Similarly, project cases will be outlined by the relevant professions (hydrogen, wind, solar) and then thoroughly discussed in a final decision-making committee. To secure sufficient funding, Greenstat is preparing for an initial offering at Euronext Growth making it easier to reach investors. The company will seek to continue combining institutional and personal investors.

8.3.2 Governmental risk

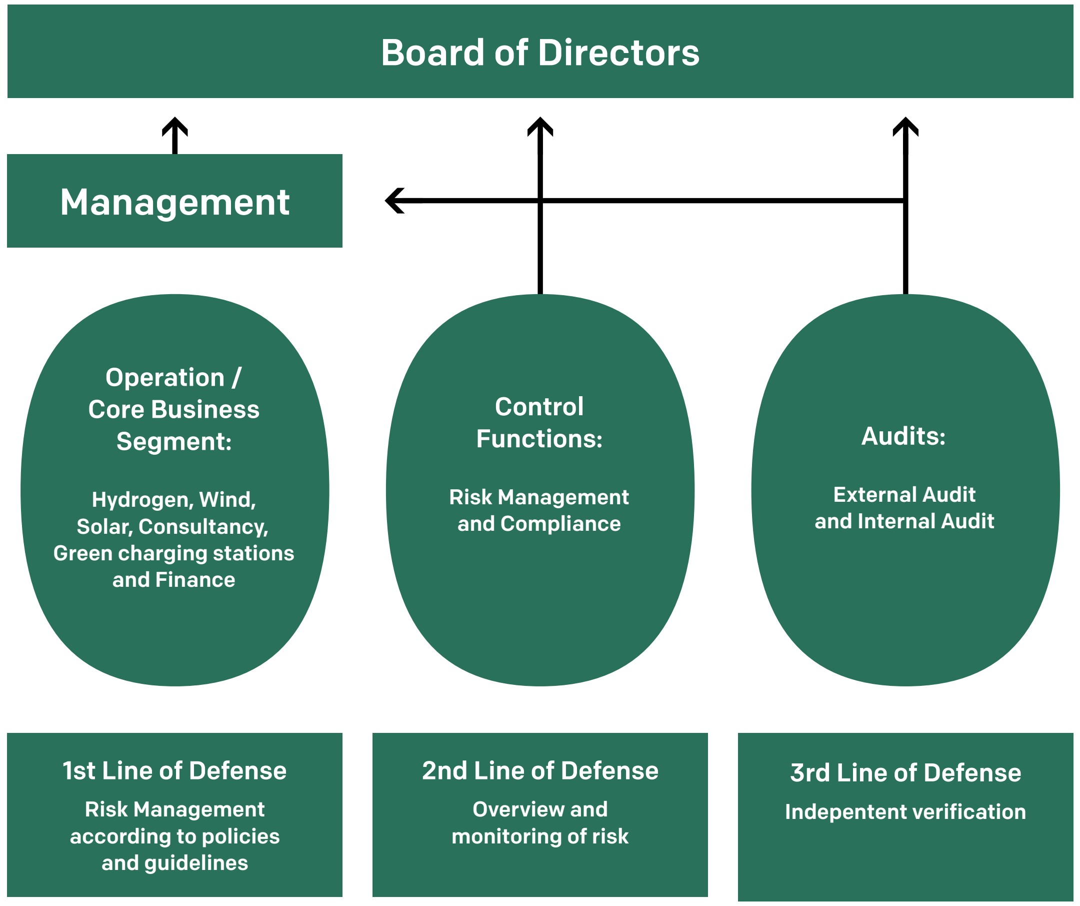
Governmental risk refers to the necessity of stable and predictable political and regulatory rules and regulations. Greenstat is dependent on either or both stable political frameworks and rapid market acceptance of new technology, as well as new use of existing technology. Many of these markets depend on governmental support during a start-up period, as well as the public sector taking a proactive role related to public procurement and requirements for environmental and energy standards. There is always a risk that the authorities will change the political framework and/or remove governmental support, but it is assumed that authorities in most countries acknowledge this consequence and are able to pull out predictable framework conditions. Greenstat is working closely with other peers to lobby for making green happen now.

8.3.3 Key personnel risk

Key personnel risk refers to the organization's dependency on one or a few employees for its success. Greenstat's operational success will depend substantially on the continuing efforts of its senior executives. With a small organization, the loss of one or more senior executives' services may have an adverse effect on the group's operations. Furthermore, if the group is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected. To mitigate key personnel risk, several incentives have been established: a remuneration and bonus scheme, favorable pension schemes and arrangements for professional training/education.

8.4 Internal Control

Greenstat has until recently been in a start-up phase focused on project development and market positioning. As the group now enters a scale-up phase, risk management and internal control framework to systematically identify, assess, manage and communicate risk throughout the group structure, is under implementation. Greenstat will work for absolute transparency and compliance with applicable laws, regulations and standards. Internal control is based on a three-lines-of-defense system, where the first line consists of primary risk owners, the second line consists of risk management and control functions, whereas the third line deals with independent external audits. An independent internal audit policy is planned to be implemented shortly.



The system of internal control is a continuous process throughout the organization, based on a set of policies, procedures, controls, and activities which are constantly assessed and – where possible – improved. The economy-department has the overall operational responsibility for risk management and compliance, reporting to the management and Board of Directors.

Under the first Line of Defense, operational management has the ownership, responsibility, and accountability for assessing, controlling, mitigating, and reporting risks.

The second Line of Defense monitors and facilitates the implementation of an effective risk management framework and assists the risk owners in reporting risk-related information both to management and the organization.

The third Line of Defense is independent audits. An independent audit function will provide objective reviews and assessments of the company's business activities, operations, financial systems and internal control. Greenstat is using a third party for audit functions.

As stated earlier, Greenstat is a scale-up company and has most of its resources allocated to core business operations. Hence, the following operational functions or activities are outsourced:

- IT-infrastructure – located in Norway
- Accounting – located in Norway
- Audit – located in Norway

The accounts

Board of Directors' Report

Greenstat was founded in 2015 with a mission to develop, own and operate projects related to a more sustainable production and consumption of energy. Operations are divided into projects and project development within hydrogen, wind and solar energy and fast charging EV stations. Greenstat also has international ambitions and has established a solid cooperation between Norway and India on hydrogen-projects.

Greenstat's mission is to create rapid and effective emission cuts and to create new green and profitable jobs through own projects or through co-investments. The company has three main business areas, Energy projects (build and own), analysis and investments. A new strategy for the period 2022-203 has been approved by the board in December 2021 and will be implemented in 2022. The strategy is called "Greener, Faster, Better" and is based on work through multiple strategic projects. The main projects are "Succeed with key projects" and "Plant the flag in Norway and Internationally".

Also, on the personnel-side Greenstat is preparing for future growth. The staff has grown substantially, and the Bergen-based office has moved into larger premises on Fantoft in the outskirts of Bergen city-centre. Beside Bergen, Greenstat also has an office located in Arendal, and a few employees are working from Oslo and Ålesund.

Employees

Greenstat's strongest asset is people. Their skills, knowledge and experience make the foundation for the services offered, the development of exciting projects and business cases and the drive for a greener future.

The group has a good gender balance both in the organization and on top level management. Out of a total of 29 employees, including external labour and interns, the gender distribution is 55% male and 45% females. In top management, 2 out of 6 are females, while the Board of Directors have an equal distribution of 50% males and 50% females.

Overview of gender balance in management positions

	Board of Directors	Top Management
2021	♀ 3 · 6 · ♂ 3	♀ 2 · 6 · ♂ 4

Employee overview / Gender balance - 2020 / 2021

	31.12.2021 Total	31.12.2021 Gender balance % ♀	31.12.2021 Gender balance % ♂
Nr of employees (incl external labour and interns)	29	45	55
Nr recruited during the year	11	45	55
Total turnover (based on permanent positions)	2		100
Nr of employees in part-time positions	6	83	17
Nr of employees working unvoluntary part-time	0	0	0
Temporary employees (interns and external consultants)	5	80	20
Employees on maternity/ paternity leave during the year	0	0	0

Greenstat is preparing the organization for future growth, and a total of 11 new employees were hired in 2021. Turnover is low with 2 employees leaving the company. 6 employees are working part-time, none working unvoluntary part-time, and 5 employees are temporary labour.

Working Environment
Greenstat is working for a company culture and atmosphere characterized by a variety of experience and educational backgrounds, ages, nationalities, and gender. Amongst the group's employees, 4 nationalities are represented (Norway, France, Canada and Australia). The average age amongst the employees is 37.2 years.

Greenstat had in 2021 a sick leave of 2.2%. No accidents involving either employees or property have taken place during the year.

Most of the employees work independently and can manage their own schedule to a high degree. It is therefore important for Greenstat, as an employer, to facilitate a satisfactory working environment well-adjusted to the employees' needs. As covid continued to put restrictions on social interactions also in 2021, home office has been widely used. Management has encouraged their employees to support each other and to keep in touch through digital tools such as Slack, in order to facilitate a good physical and psychosocial environment during such a special situation.

The Discrimination and Accessibility Act aims to promote gender equality, equal opportunities and rights and to prevent discrimination due to ethnicity, nationality, inheritance, skin color, language, sexual orientation, religion and religious beliefs. Greenstat is compliant with the Discrimination and Accessibility Act through equal treatment relating to recruitment, salaries and working conditions, promotions, opportunities for formal training and skill development, and protection against harassment.

Sustainability
Greenstat will strive to ensure that all parts of the group and group operations are sustainable. This implies that environmental, social and governance-related consequences are assessed when taking business-decisions. Sustainability criteria are an important part of due diligence and screening processes relating to new projects, investments and cooperative partners/counterparties. A green frame tool has been developed to evaluate the screening process.

On a daily basis sustainability is incorporated in how office locations operate, reducing waste to a minimum, waste recycling and reuse of office equipment like desks and chairs. Greenstat also encourage its employees to use zero emission transport, both when travelling to the office and on business travels.

Greenstat reports all emissions on an annual basis and is a Miljøfyrtårn-certified company and a member of Klimapartnere in Vestland and Agder counties.

Health, Safety, Security and Environment (HSSE)
Greenstat is working for a zero-emission society, meaning the company stresses no negative impact on people, assets and environment.

Greenstat has implemented a Health, Safety and Environment (HSE) program, and has established internal guidelines on both identifying and reporting HSE – challenges and deviations.

Most of the group activities were office-based during 2021, but with an increasing demand for solar panel installations and the completion of the first Greenstation EV charging station, construction/installation tasks will take up more of the total company activities going forward.

Employees working on installations are educated in the proper way to fulfill required safety rules and regulations.

Corporate Governance
The group structure will be revised during first half of 2022, as part of the new strategy "Greener-Faster-Better", approved by the board in December 2021. The aim is to optimize the set-up for future operations and growth. Following this change, a new and more adapted corporate governance framework with associated policies, code of conduct and decision hierarchy will be outlined during second half of 2022.

Investment decision hierarchy is, however, unchanged. Whether it is an investment in companies or projects for adding to the production portfolios of hydrogen, wind or solar energy, or in companies working for the green transition and creating alternatives to fossile solutions, the procedure is:

A detailed investment-case is delivered from professionals in the subsidiaries to an Investment Committee consisting of CEO, CFO, Head of IR, CSO and the subsidiary manager raising the investment case.

All Board-members and Senior Managerial Officers of the group, including managers of subsidiaries, are covered by a Directors & Officers Liability Insurance. The insurance covers personal legal liabilities including defense, PR and legal costs.

Financial Statement Parent Company (Greenstat ASA)
Greenstat ASA is the parent company of the Greenstat group. All operational activities are operated from the group's subsidiaries, while the parent company provides financial, administrative and managerial support to the subsidiaries.

Annual accounts for the parent company and subsidiaries are reported using the NGAAP accounting principles.

In 2021 (with the corresponding 2020 numbers in paranthesis), the revenue of the company amounted to 4.8 MNOK (2.3 MNOK), while operating expenses was 36.2 MNOK (15.9 MNOK), resulting in an operating loss of 31.5 MNOK (13.6 MNOK). The main expenses were personnel expenses and other operating expenses primarily related to maturing and diversifying project portfolios and business development in subsidiaries. Total loss for the period ended at 30.7 MNOK (18.9 MNOK).

Total assets for the period amounted to 227.1 MNOK (51.4 MNOK), of which 163.3 MNOK (37.3 MNOK) was cash. The company has no interest carrying debt arrangements in the period. Total equity amounted to 221.7 MNOK (49.4 MNOK) at year end 2021.

Net change in cash flow is positive with NOK 126 MNOK (28.1 MNOK). There is a net cash flow loss from operating activities at 14.1 MNOK (11.1 MNOK), and a net cash flow loss from investing activities at 59.4 MNOK (11.9 MNOK). The discrepancy between ordinary result and the cash flow loss from operating activities is mainly derived from net impairment of assets at 16.8 MNOK, which is for the most part connected to provisions for doubtful loans from subsidiaries. A total of 199.4 MNOK (51 MNOK) was raised in capital raises during the year.

Group Financial Statement

Consolidated annual accounts on group level is compliant to the International Financial Reporting Standards (IRFS) as adopted by the EU.

2021 is the first time annual accounts are reported on the IFRS standard. The decision to change accounting principles from NGAAP, which was the guiding accounting principle up to 2021, to IFRS is part of a preparation and adjustment for future IPO and exchange listing.

In 2021 (with the corresponding 2020 numbers in paranthesis), the revenue of the group amounted to 11.4 MNOK (6.6 MNOK), while operating expenses was 45.5 MNOK (25.9 MNOK), resulting in an operating loss of 34.1 MNOK (19.4 MNOK). The main expenses were personnel expenses and other operating expenses primarily related to maturing and diversifying project portfolios and business development in subsidiaries. Total loss for the period ended at 41.4 MNOK (11.2 MNOK).

Total assets for the period amounted to 236.7 MNOK (62.3 MNOK), of which 173.1 MNOK (41.4 MNOK) was cash. The group has no interest carrying debt arrangements in the period. Total equity amounted to 220.4 MNOK (56.5 MNOK) at year end 2021.

Net change in cash flow is positive with NOK 131.7 MNOK (30.7 MNOK). There is a net cash flow loss from operating activities at 25.6 MNOK (10.4 MNOK), and a net cash flow loss from investing activities at 42.7 MNOK (8.5 MNOK). A total of 200 MNOK (49.5 MNOK) was raised in capital raises during the year. The difference in raised capital from parent company mainly derives from IFRS including non-controlling interests, purchase of own shares and payments from the principal portion of lease liabilities to the raised capital amount.

Allocation of Net Loss

The group has a loss of 41.4 MNOK for 2021, mainly explained by the company's life cycle moving from a start-up to a scale-up phase, investing heavily for future growth and profit. Some of the green business areas are still immature markets dependent on governmental incentives.

The board proposes the net loss of the year to be allocated to share premium.

Going Concern

Both the Russian invasion of Ukraine and post covid consequences have an impact on business operations, making production components and global shipping and supply lines more unstable. However, by the year end of 2021 the company has no external debt and a solid liquidity reserve. The Financial Statements have been prepared under the assumption of going concern, and the Board of directors confirms that this assumption is in accordance with the Norwegian Accounting Act § 3-3a and § 4-5.

Following the strategy and business plan outlined above, Greenstat is investing in projects and project development for future growth and profitability. To be able to realize these investments and projects, there will be a significant capital need in the short and medium term. Securing new capital to the group through capital raises will have a high priority going forward. As Greenstat is moving deeper into international affairs, the group is most likely to be exposed to other financial risks like currency risks, tax risks, credit and counterparty risks to a larger extent than operating mainly in Norway. Mitigating actions for currency risk is to plan larger transfers in foreign currency, using FX-swaps or similar derivatives to secure future currency conversion amounts. For all projects, and international projects in particular, a comprehensive due diligence

Foto: Shutterstock

process / KYC process are executed before any investment decisions are made.

Future Prospects

Greenstat operates in a long-term perspective. The markets for the core business-areas of hydrogen, wind and solar power are still not completely matured; that goes particularly for hydrogen, relying on large investments and government support. Hence, Greenstat is now investing heavily in project development, and by doing so, are building the foundation for future operations and profit.

The Group is engaged in several exciting projects, both individually and in partnership with other peers, and seizes new opportunities within all core areas of its operations. The international venture continued with the opening of a new office in Mumbai. The market for solar panel installations were booming at the end of 2021 due to the all-time high electricity prices and the demand continues to increase entering 2022. The completion of the pilot charging station for EV outside Bergen was another milestone in 2021 that will continue to growth as new stations are enter the pipeline for rollout in 2022.

2022 continues with exciting projects which strengthens Greenstat's position as an important player and driving force in the green transition, and well suited for further growth.

2022 continues with exciting projects which strengthens Greenstat's position as an important player and driving force in the green transition, and well suited for further growth.

The Board of Directors,
Bergen, 14 June 2022

Bernt Skeie
Director of the board

Birgit Liodden
Member of the board

Tom Georg Olsen
Member of the board

Irene Kristiansen
Member of the board

Katharina Asting
Member of the board

Knut Nyborg
Member of the board

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Tilsynslogg

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Dokumenthistorikk

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UNDERSKREVET	**06 / 22 / 2022** 17:36:24 UTC	Skrevet under av Bernt Skeie (bernt.skeie@almacleanpower.com) IP: 85.165.29.229
UNDERSKREVET	**06 / 22 / 2022** 17:55:14 UTC	Skrevet under av Tom Georg Olsen (tom.georg.olsen@miles.no) IP: 88.95.204.71
UNDERSKREVET	**06 / 22 / 2022** 18:32:44 UTC	Skrevet under av Birgit Liodden (birgitliodden@hotmail.com) IP: 51.175.114.142
UNDERSKREVET	**06 / 22 / 2022** 19:43:15 UTC	Skrevet under av Katharina Asting (katharina.asting@innokra.com) IP: 85.165.238.126
UNDERSKREVET	**06 / 22 / 2022** 21:25:49 UTC	Skrevet under av Knut Olaf Nyborg (knut.nyborg@akercleanhydrogen.com) IP: 77.16.64.180
FULLFØRT	**06 / 22 / 2022** 21:25:49 UTC	Dokumentet er fullført.

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Board of Directors

Bernt Skeie
Chairman of the Board
Greenstat

Served since 2021.
CEO Alma Clean Power.

Birgit Liodden
Member of the Board
Greenstat

Served since 2019.
Founder of TOOLS.

Tom Georg Olsen
Member of the Board
Greenstat

Served since 2019. Group
Servant Leader Miles AS.

Irene Kristiansen
Member of the Board
Greenstat

Served since 2021.
COO Holzweiler.

Katharina Asting
Member of the Board
Greenstat

Served since 2020.
CEO Innokra AS.

Knut Nyborg
Member of the Board
Greenstat

Served since 2021. CEO Aker
Clean Hydrogen AS.

Income statement

01.01-31.12	Note	2021	2020
REVENUE			
Sales revenue	*2, 3, 4*	4 785 107	2 347 738
OPERATING EXPENSES			
Payroll expenses	*5, 6*	13 487 601	11 015 928
Depreciation and amortization	*7, 8*	165 096	90 543
Other operating expenses	*5, 9*	22 590 195	4 828 692
Total operating expenses		36 242 892	15 935 163
Operating result		-31 457 785	-13 587 425
FINANCIAL INCOME AND EXPENSES			
Other financial income		2 205 876	67 682
Net Write-down/reversal of other financial assets	*10*	1 483 439	5 310 265
Other financial expenses		9 849	86 474
Net financial items		712 588	-5 329 057
Ordinary result before tax		-30 745 197	-18 916 482
Net profit or loss for the year		**-30 745 197**	**-18 916 482**
ALLOCATED AS FOLLOWS			
Transferred to other equity	*11*	-30 745 197	-18 916 482

Balance sheet

As of 31.12	Note	2021	2020
FIXED ASSETS			
Intangible assets			
Concessions, patents, licences, trademarks and similar rights	*7*	322 918	219 178
Total intangible assets		322 918	219 178
Tangible assets			
Fixtures and fittings, tools, office machinery etc.	*8*	882 300	147 275
Total tangible assets		**882 300**	**147 275**
Financial assets			
Investments in subsidiaries	*10*	11 849 581	1 600 875
Intercompany loans	*9*	2 811 000	2 721 939
Investments in associated companies	*10*	20 482 595	2 437 602
Loans to associated companies and joint ventures		2 932 466	340 000
Investments in shares and units		4 602 743	5 613 266
Bonds		0	160 276
Total financial assets		**42 678 385**	**12 873 958**
Total fixed assets		**43 883 603**	**13 240 411**
CURRENT ASSETS			
Receivables			
Trade receivables	*3, 9*	2 827 341	437 016
Other receivables	*9*	17 140 412	472 849
Total accounts receivables		**19 967 753**	**909 865**
Cash and cash equivalents	*13*	163 250 914	37 290 115
Total current assets		183 218 667	38 199 980
Total assets		**227 102 270**	**51 440 391**

Balance sheet

As of 31.12	Note	2021	2020
EQUITY			
Paid-in capital			
Share capital	*11, 14*	64 790 702	28 483 273
Own shares	*11*	-129 694	-416 667
Share premium reserve	*11*	0	0
No registered capital increase		0	-22 365 545
Total paid-in capital		**64 661 008**	**50 432 151**
Retained earnings			
Other equity	*11, 15*	156 998 270	-1 070 836
Total retained earnings		**155 798 270**	**-1 070 836**
Total equity		**221 659 278**	**49 361 315**
LIABILITIES			
Current liabilities			
Trade creditors		2 329 265	535 459
Public duties payable	*13*	2 060 395	1 125 598
Other short-term liabilities		1 053 332	418 019
Total current liabilities		**5 442 992**	**2 079 076**
Total liabilities		**5 442 992**	**2 079 076**
Total equity and liabilities		**227 102 270**	**51 440 391**

Bergen, 22.06.2022

Vegard Frihammer
CEO

Bernt Skeie
Bernt Skeie
Chairman of the board

Birgit Marie Liodden
Board member

Irene Kristiansen
Irene Kristiansen
Board member

Tom Georg Olsen
Board member

Knut Olaf Nyborg
Knut Nyborg
Board member

Katharina R. Asting
Katharina Asting
Board member

Cash flow statement

	Note	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES			
Ordinary result from tax		-30 745 197	-18 916 482
Gain on sale of fixed assets		-1 023 750	0
Depreciation and amortization	*6, 7*	165 096	90 543
Net Impairment of assets		16 756 811	0
Changes in inventories, trade receivables and trade payables		2 247 438	348 277
Changes in other current balance sheet items		-4 178 827	1 433 728
Employee stock options	*4*	2 727 976	5 985 720
Net cash flow from operating activities		-14 050 453	-11 058 214
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		-1 003 859	-371 789
Proceeds from sale of investments in shares and joint ventures		3 500 063	0
Purchase of investments in shares and joint ventures	*5*	-32 842 928	-7 402 130
Proceeds from short term and long term receivables		-31 557 208	-2 990 950
Proceeds from sale of other investments		3 200 000	0
Payments on purchase of own shares		-678 162	-1 104 168
Net cash flow from investing activities		-59 382 094	-11 869 037
CASH FLOW FROM FINANCING ACTIVITIES			
Issue/repurchase of share capital	*11*	199 393 346	51 049 517
Net cash flow from financing activities		199 393 346	51 049 517
Net change in cash and cash equivalents		125 960 799	28 122 266
Cash and cash equivalents as of 01.01		37 290 115	9 167 849
Cash and cash equivalents as of 31.12		163 250 914	37 290 115

Notes

Note 1 Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Subsidiaries and investments in associates
Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Revenue recognition
Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred.

Revenues from the sale of services and long-term manufacturing projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenues equal to the project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

Balance sheet classification
Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

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

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Trade and other receivables
Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Foreign currency translation
Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Property, plant and equipment
Property, plant and equipment are capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Income tax
The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/ tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

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

Use of estimates
The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway

Notes

Note 2 Sales revenue

By business area	2021	2020
Consulting services	4 372 607	2 043 571
Government grants	412 500	304 167
	4 785 107	2 347 738

Geographical distribution		
Norway	4 785 107	2 347 738

Note 3 Related parties

Related parties are Group companies, associates, major shareholders, members of the board and management in the parent company and the group subsidiaries.

Related parties transactions from sales revenue is MNOK 4,4 (MNOK 1,3 from associated companies and MNOK 3,1 from group companies) is related to consulting services.

Note 4 Government grants

In 2021 the company was granted kr. 412 500 in Government grants (kr. 304 167 in 2020)

Note 5 Payroll expenses, number of employees and loans to employees and auditor's fee

Wage costs	2021	2020
Salaries	7 802 848	3 423 037
Payroll tax	1 649 677	1 356 489
Pension costs	536 710	146 342
Employee stock options	2 727 976	5 985 720
Other benefits	770 390	104 340
Total payroll expenses	13 487 600	11 015 928
Average number of full-time equivalents	9	4

Management remuneration	Salary	Pension expenses	Other remuneration
General manager	1 111 833	88 167	100 894
Board of directors	353 841		
Remuneration	1 465 674	88 167	100 894

The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company`s pension schemes satisfies the requirements of this Act.

Shares held by related parties as of 31 December 2021

Name	Role	Number of shares	Share options
Vegard Frihammer	CEO	405 069	1 000 000
Siri Østerhus	CFO	41 280	200 000
Bernt Skeie	Chairman of the Board	196 197	2 000 000
Tom Georg Olsen	Board Member	-	55 000
Birgit Maria Liodden	Board Member	-	55 000
Katharina Ringen Asting	Board Member	9 050	20 000
Karen Landmark	Chief Strategy Officer	45 454	180 000
Torstein Thorsen Ekern*	Manager Greenstat Energy	-	400 000
Tomas Fiksdal	Chief Project Manager Hydrogen	-	500 000
Total		**697 050**	**4 410 000**

*Owns 60% of Pollen Vind AS, which has a shareholding of 1 327 495 shares in Greenstat ASA.

Auditor fee has been divided as follows	2021	2020
Audit fee	159 000	52 530
Audit related services	186 750	96 008
Other services	357 550	337 090

VAT is not included in the auditor fees.

Note 6 Shared-based payments

1 700 000 new subscription rights are granted to employees in 2021. The exercise price per share is NOK 5,5. In 2020, 4 000 000 subscription rights were granted to employees. The exercise price per share is NOK 1. The total capital increase if all subscription rights are exercised is NOK 13 350 000. The subscription rights are fully vested.

The following conditions applies to the subscription rights:

a) The subscription rights can only be exercised in the period from 01.07.2021 to 31.05.2023.

b i) The subscription rights granted in 2021 can only be exercised at the same time as the company carries out a share issue to a exercise price of minimum NOK 8 per share and where the total issue amount is minimum MNOK 20.

B ii) The subscription rights granted in 2020 can only be exercised at the same time as the company carries out a share issue to a exercise price of minimum NOK 4 per share and where the total issue amount is minimum MNOK 10.

The fair value of the subscription rights were calculated using the Black-Scholes model for option pricing. The fair value of the subscription rights granted in 2021 was 2,7 MNOK (2020: MNOK 6), excluding employers` national insurance contribution.

The model inputs in the valuation of options granted during the year includes:

	2021	2020
Share-price at grant date	5,5	2,4
Exercise price	5,5	1
Duration of option (years)	2	3
Risk free interest rate	0,40%	0,28 %
Volatility	62%	55 %

Expense arising from equity-settled share-based payment transactions	2021	2020
Share-based payments included in total personnel expenses*	3 112 620	6 829 707
Total	**3 112 620**	**6 829 707**

* Including employers` national insurance contributions.

Notes

Note 7 Intangible assets

	Brand name	Website	Other rights	Total
Acquisition cost at 01.01.	20 000	419 195	0	439 195
Purchased intangibles	0	0	201 510	201 510
Acquisition cost 31.12.	20 000	419 195	201 510	660 705
Acc. amortization at 31.12.	-16 000	-282 886	-18 901	-317 787
Net carrying amount at 31.12.	4 000	136 309	182 609	322 918
Amortization for the year	-4 000	-74 869	-18 901	-97 770

Linear amortization is used for all intangibles. The useful economic life for the intangible assets are estimated as:

* Brand name	3
* Website	5
* Other rights	5

Note 8 Tangible assets

	Machinery and equip-ment	Furniture, fittings and equipment	Total
Acquisition cost 01.01.	66 001	92 038	158 039
Purchased tangibles	427 576	374 773	802 349
Acquisition cost 31.12.	439 577	466 811	960 388
Acc.depreciation 31.12.	-54 200	-23 888	-78 088
Net carrying amount at 31.12.	439 377	442 923	882 300
Depreciation for the year	20 820	46 505	67 325
Useful economic life	3	5	
Depreciation	Linear	Linear	

Note 9 Intercompany balance with group and associated companies

Receivables	2021	2020
Long term receivables from Intercompany	2 811 000	5 455 000
Accounts receivables from Intercompany	2 821 355	116 311
Other receivables from intercompany	32 612 972	107 923
Provision for doubtful loans from intercompany	-18 742 464	-2 733 061
Receivables from associates	4 852 646	340 000
Total receivables from intercompany and associates	24 175 143	3 286 173

Other receivables from group includes MNOK 31,7 (impaired by MNOK 18,7) related to not registered capital injection in subsidiaries. The impairment of MNOK 18,7 is related to investment in Greenstat Hydrogen AS, Greenstation AS, Greenstat Energy AS, Greenstat Asia AS, and Greenstat Energy Installation AS.

Receivables from associates includes MNOK 1,9 related to not registered capital injection in Glomfjord Hydrogen AS.

Note 10 Investment in subsidiaries and associate

Subsidiaries

Company	Acquisition date	Location	Share owners	Voting rights	Net profit 2021	Equity 31.12	Book value 31.12
Greensight AS*	21.11.2016	Bergen	100 %	100 %	1 152 491	2 427 863	2 427 863
Greenstat Hydrogen AS	17.02.2017	Bergen	100 %	100 %	-3 626 448	40 116	35 570
Greenstation AS	29.06.2017	Bergen	100 %	100 %	-3 269 231	10 553 525	30 000
Greenstat Energy AS**	12.01.2018	Bergen	100 %	100 %	-5 380 366	49 567	49 567
Greenstat Asia AS	01.01.2021	Bergen	100 %	100 %	-3 340 910	2 501 965	30 000
Greenstat Industrivind AS	05.01.2021	Bergen	89 %	89 %	-17 399	10 003 031	8 826 000
Greenstat Energy Installation AS**	31.07.2021	Bergen	100 %	100 %	539 246	450 581	450 582
Total					-13 942 617	26 026 648	11 849 582

*Previous year write down in Greensight AS has been reversed by MNOK 1,9
**Investment in Greenstat Energy AS and Greenstat Energy Installation AS have been impaired by MNOK 0,9 and MNOK 0,5.

Associates

Company	Acquisition date	Location	Share owners	Voting rights	Net profit 2021	Equity 31.12	Book value 31.12
Glomfjord Hydrogen AS	22.06.2016	Glomfjord	38 %	38%	- 4 347 601	4 712 201	2 308 102
Hydrogen Viking AS	29.08.2017	Bergen	33 %	33 %	-9 019	- 68 964	30 000
Viken Hydrogen AS	19.12.2019	Bergen	40 %	40 %	- 1 198 000	4 892 000	3 827 500
H2 Marine AS	11.01.2019	Bergen	46 %	46 %	-2 337 460	4 224 871	5 641 993
Meraker Hydrogen AS	05.06.2020	Trondheim	25 %	25 %	-1 013 458	5 357 230	1 625 000
Green Yacht AS	25.10.2020	Laksevåg	40 %	40 %	- 559 115	5 138 246	3 500 000
Narvik Hydrogen AS	21.10.2021	Narvik	50 %	50 %	-266 644	57 786	300 000
Stord Hydrogen AS	30.06.2021	Stord	27 %	27 %	0	6 500 000	3 250 000
Total					-266 644	4 769 987	20 482 595

Other investments

Company	*Acquisition date*	*Location*	*Share owners*	*Voting rights*	*Book value 31.12*
Altered Power AS		Bergen	1 %	1 %	99 630
EVERFUEL AS	28.10.2020	Oslo	<1 %	<1 %	1 760 000
Hyrex AS	01.03.2021	Vestfold og Telemark	2 %	2 %	300 000
Aker Clean Hydrogen AS*	23.06.2021	Viken	<1 %	<1 %	1 072 500
Kruser AS	08.03.2021	Oslo	<1 %	<1 %	100 250
Riversimple Movement Ltd	28.05.2021	Storbritannia	<1 %	<1 %	256 893
Green Waves AS	24.09.2021	Agder	<1 %	<1 %	199 995
Tidetec AS	21.05.2021	Oslo	1 %	<1 %	313 500
Evoy AS	02.12.2019	Vestland	1 %	1 %	499 974
Total					4 602 742

*Investment in Aker Clean Hydrogen AS has been impaired by MNOK 1,9

Note 11 Owners equity

	Share capital	*Own shares*	*Share premium reserve*	*Other paid-in capital*	*Other equity*	*Total*
Owners equity 01.01.	28 483 273	-416 667	0	22 365 545	-1 070 836	49 361 315
Profit for the year	0	0	-29 653 192	0	-1 092 005	-30 745 197
Purchase of own shares	0	-113 027	0	0	-565 135	-678 162
Capital Increase	36 307 429	0	185 451 462	-22 365 545	0	199 393 346
Issuance of stock option	0	0	0	0	2 727 976	2 727 976
Transaction with treasury shares	0	400 000	1 200 000	0	0	1 600 000
Reallocation of SPR	0	0	-156 998 270	0	156 998 270	0
Total	64 790 702	-129 694	0	0	156 998 270	221 659 278

Note 12 Income taxes

Tax base estimation	2021	2020
Ordinary result before tax	-30 745 197	-18 916 482
Permanent differences	18 751 012	7 325 336
Write-down on shares and other security expensed this year	1 483 439	5 310 265
Group contribution with tax effect	-736 031	0
Changes in temporary differences	-129 848	-23 384
General income	-11 376 625	-6 304 265
Group contribution	736 031	0
Tax base	-10 640 594	-6 304 265

Temporary differences outlined		
Fixed assets	185 411	55 563
Total	185 411	55 563
Tax losses carry forward	-33 172 598	-22 532 004
Total deferred tax assets	-32 987 188	-22 476 441
Deferred tax assets not recognized*	-32 987 188	-22 476 441
Net deferred tax assets	0	0

* No deferred tax has been recognized as the Group has no history of taxable profits

Note 13 Bank deposit

	2021
Restricted cash for employee withholding tax as of 31.12	464 663
Cash in bank	162 786 251
Total	163 250 914

Note 14 Equity

Treasury shares

Share capital	Number of shares	Face value	Book value
Ordinary shares	64 790 702	1	64 790 702

Shareholders per 31.12	Ordinary shares	Ownership share
Aker Clean Hydrogen AS	13 500 000	20,84 %
Meteva AS	2 711 667	4,19 %
Pollen Vind AS	1 327 495	2,05 %
Myrlid AS	1 000 000	1,54 %
Ole Petter Skonnord	961 138	1,48 %
UNIFOB	897 667	1,39 %
Oddvar Lien	800 000	1,23 %
Austavind AS	666 667	1,03 %
Saga Pure ASA	666 666	1,03 %
AVGroup Sarl	573 333	0,88 %
Total	23 104 633	35,66 %
Other	41 686 069	64,34 %
Total number of shares	64 790 702	100,00 %

Treasury shares

Greenstat ASA owns 129 694 treasury shares of a total number of 64 790 702 shares. The ratio of treasury shares is 0,2%. The purchase price paid for treasury shares is split into two different categories, where the nominal value of treasury shares is included in paid in capital, and the purchase price exceeding nominal value of treasury shares is included in other equity. The average purchase price for treasury shares is NOK 3,4 per share.

Number of treasury shares	2021	2020
As of 1 January	416 667	-
Purchase	113 027	416 667
Purchase of shares in Viken Hydrogen AS*	-400 000	-
As of 31 December	129 694	416 667

*In 2021, Greenstat ASA purchased additional 20 000 of the shares in the associate Viken Hydrogen AS. The consideration was 400 000 of their own shares. Greenstat ASA has a call option to purchase additional 30 000 of the shares in Viken Hydrogen AS from H2 Energy AS and Nel Fuel AS. The call option can only be exercised after Viken Hydrogen AS has ordered hydrogen equipment for production of 8 tons per day.

As of today, Viken Hydrogen AS has not ordered hydrogen equipment yet and is not expected to do so in the immediate future. As the call option cannot be exercised yet, the option is not considered to give Greenstat ASA a present ownership right.

H2 Energy AS and Nel Fuel AS have a put option that require Greenstat ASA to purchase additional 30 000 shares in Viken Hydrogen AS if the option is exercised. If the put or the call options are exercised, Greenstat ASA will be the owner of 60% of the shares in Viken Hydrogen AS. The shares in Viken Hydrogen AS shall upon exercise of the options be valued at the higher of (i) NOK 80 with the price addition of 25% pro anno (based upon number of calendar days) on such amount from the closing date until the date of exercise of the options, and (ii) the valuation of Viken Hydrogen AS in the latest share issue in the company. The call and put option expire 22 March 2024. The fair value of the put and the call option is considered to be NOK 0 as of December 31 2021.

Note 15 Events after the reporting period

Russia's invasion of Ukraine has had a twofold influence on the group subsidiaries Greenstat Energy Installations AS in particular, as these are doing actual installations and construction of EV fast charging stations. On the one hand the soaring energy prices has led to an enormous increase in the demand for solar panel installations, on the other production of crucial components have been restrained due to sanctions on Russia for the ongoing invasion of Ukraine. On top of that, post covid shipping delays making good stuck in harbours and onboard container-ships, hits both subsidiaries Greenstat Installations AS and Greenstation AS. In the short to medium term the is a risk that planned installations or planned building of EV fast charging stations will be delayed.

As part of an international strategy, Greenstat Solar AS was established as a holding company for solar power energy production portfolio. Its first project is the establishment of Greenstat Solar BH in Bosnia Herzegovina. At April 15th 2022 Greenstat Solar BH bought 50% of a company named Drijn Energia for 2,8 MEUR. The investment in Drijn Energia is considered to be a joint venture (JV). As part of the financing of this purchase, a debt-agreement of NOK 15 million was agreed with Sparebanken Vest.

To strengthen the solar power commitment in the Western part of Norway, 100% of the shares in Solbære AS was acquired for NOK 800 000 in February 2022. Two project managers with solar power and solar panel installation knowledge are now located in Bergen.

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Consolidated Statement of Profit or Loss

	Note	2021	2020
Revenue from contracts with customers	4, 23	10 771 334	4 872 558
Other operating income	5	612 500	1 699 167
Total revenue and operating income		11 383 834	6 571 725
Materials and services		(3 313 006)	(969 544)
Personnel expenses	8	(26 026 662)	(17 928 390)
Depreciation and amortisation	9,10,16	(884 682)	(380 775)
Other operating expenses	7	(11 165 590)	(6 013 735)
Share of results from associated companies	21	(4 136 852)	(641 175)
Total operating expenses		(45 526 792)	(25 933 620)
Operating profit (EBIT)		(34 142 958)	(19 361 895)
Financial income	19	1 702 563	8 317 732
Financial expenses	19	(8 998 690)	(119 241)
Net financial items		(7 296 127)	8 198 491
Profit before income taxes		(41 439 086)	(11 163 404)
Income taxes	17	0	0
Net profit		(41 439 086)	(11 163 404)
Net profit for the financial year attributed to			
Owners of the Parent company		(41 437 017)	(11 163 404)
Non-controlling interest		(2 069)	0
Total		**(41 439 086)**	**(11 163 404)**
Earings per share attributed to owners of the parent company, NOK per share			
Basic	15	-0,89	-0,50
Diluted	15	-0,89	-0,50

Consolidated statement of comprehensive income

	Note	2021	2020
Net profit		(41 439 086)	(11 163 404)
Total comprehensive income for the period, net of tax		**(41 439 086)**	**(11 163 404)**
Total comprehensive income attributable to:			
Owners of the Parent company		-41 437 017	-11 163 404
Non-controlling interest		-2 069	-
Total		**-41 439 086**	**-11 163 404**

Consolidated Statement of Financial Position

ASSETS	**Note**	**31'Dec'21**	**31'Dec'20**	**1'Jan'20**
Intangible assets	9	6 350 220	276 600	85 208
Property, plant and equipment	10	7 403 351	147 275	0
Right-of-use assets	16	1 173 824	1 562 415	233 708
Investment in associated companies	21, 23	15 674 567	1 733 656	62 331
Other investments	22	17 627 207	13 905 970	553 636
Other non-current financial assets	23	2 938 353	500 276	15 000
Total non-current assets		**51 167 521**	**18 126 193**	**949 883**
Inventory	6	1 982 603	323 320	0
Trade receivables	11, 23	5 234 481	1 245 551	156 863
Other receivables	11	5 292 448	1 266 551	1 972 323
Cash and cash equivalents	13	173 055 042	41 378 979	10 686 427
Total current assets		185 564 574	44 214 401	12 815 613
Total assets		**236 732 096**	**62 340 594**	**13 765 494**
EQUITY AND LIABILITIES				
Share capital	14	64 790 702	28 483 273	16 515 004
Treasury shares	14	(129 694)	(416 667)	0
Share premium		0	6 111 927	12 151 148
Not registered capital increase		0	22 365 545	1 976 043
Total paid-in-equity		64 661 008	56 544 078	30 642 195
Other equity		153 489 213	0	(18 865 783)
Non-controlling interests		**2 290 023**	**0**	**0**
Total equity		**220 440 244**	**56 544 078**	**11 776 412**
Non -current lease liabilities	16	570 894	605 357	158 895
Other non-current liabilities		626 100	0	0
Total non-current liabilities		**1 196 994**	**605 357**	**158 895**
Current lease liabilities	16	552 930	889 203	74 813
Trade payables	12	5 387 315	816 192	413 161
Other current liabilities	12	9 154 613	3 485 764	1 342 213
Total current liabilities		**15 094 858**	**5 191 159**	**1 830 187**
Total liabilities		**16 291 852**	**5 796 516**	**1 989 082**
Total equity and liabilities		**236 732 096**	**62 340 594**	**13 765 494**

Consolidated Statement of Changes in Equity

	Share capital	Treasury shares	Share premium	Not registered capital increase	Other equity	Total	Non-controlling interests	Total equity
Equity at 1 Jan 2020	16 515 004	-	12 151 148	1 976 043	-18 865 783	11 776 412	-	11 776 412
Profit/loss for the period	-	-	-24 730 968	-	13 567 564	-11 163 404	-	-11 163 404
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-24 730 968	-	13 567 564	-11 163 404	-	-11 163 404
Capital increase	11 968 269	-	18 691 747	20 389 502	-	51 049 518	-	51 049 518
Purchase own shares	-	-416 667	-	-	-687 501	-1 104 168	-	-1 104 168
Issue of share warrants	-	-	-	-	5 985 720	5 985 720	-	5 985 720
Equity at 31 Dec 2020	**28 483 273**	**-416 667**	**6 111 927**	**22 365 545**	**-**	**56 544 078**	**-**	**56 544 078**

	Share capital	Treasury shares	Share premium	Not registered capital increase	Other equity	Total	Non-controlling interests	Total equity
Equity at 1 Jan 2021	28 483 273	-416 667	6 111 927	22 365 545	-	56 544 078	-	56 544 078
Profit/loss for the period	-	-	-	-	-41 437 017	-41 437 017	-2 069	-41 439 086
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-41 437 017	-41 437 017	-2 069	-41 439 086
Capital increase	36 307 429	-	185 451 462	-22 365 545	-	199 393 346	2 292 091	201 685 437
Purchase own shares	-	-113 027	-	-	-565 135	-678 162	-	-678 162
Transaction with treasury shares*	-	400 000	1 200 000	-	-	1 600 000	-	1 600 000
Issue of share warrants	-	-	-	-	2 727 976	2 727 976	-	2 727 976
Reallocation of share premium	-	-	-192 763 389	-	192 763 389	-	-	-
Equity at 31 Dec 2021	**64 790 702**	**-129 694**	**-**	**-**	**153 489 213**	**218 150 221**	**2 290 023**	**220 440 244**

*Please refer to note 14 for further details.

Consolidated statement of cash flows

	Note	2021	2020
Profit before income taxes		(41 439 086)	(11 163 404)
Share of results from associated companies	21	4 136 852	641 175
Depreciation	9,10,16	884 682	380 775
Net interest expenses		(1 576 973)	41 509
Change in fair value investments	22	8 873 100	(8 240 000)
Change in inventory		(1 659 283)	(323 320)
Change in trade receivables		(3 988 930)	(1 088 688)
Change in trade payables		4 571 123	403 030
Change in other provisions		1 666 653	2 976 416
Employee share warrants	8	2 727 976	5 985 720
Cash generated from operations		**(25 803 886)**	**(10 386 787)**
Interests paid		(64 034)	(104 722)
Interests received		275 695	77 732
Net cash flow from operations		**(25 592 225)**	**(10 413 777)**
Purchase of fixed assets	9, 10	(13 639 212)	(574 201)
Payments for the principal portion of lease receivables		381 000	0
Purchase of shares and participations		(27 038 037)	(7 424 834)
Loans to related parties	23	(2 438 077)	(485 276)
Net cash flow from investments		**(42 734 325)**	**(8 484 311)**
Payments on purchase of own shares		(678 162)	(1 104 168)
Payments for the principal portion of lease liabilities	18	(1 004 660)	(354 709)
Proceeds from issuance of equity		201 685 437	51 049 517
Net cash flow from financing		**200 002 613**	**49 590 642**
Net change in cash and cash equivalents		**131 676 063**	**30 692 554**
Cash and cash equivalents at the beginning of the period		**41 378 979**	**10 686 427**
Cash and cash equivalents at the end of the period		**173 055 042**	**41 378 979**

NOK 1 015 673 is restricted cash to employee tax.

Notes

Note 1 Company information

Greenstat ASA, the parent company of the Greenstat Group, is a public limited company incorporated and domiciled in Norway. The consolidated financial statements include the company, its subsidiaries (together referred to as the "Group") and the Group`s share in associated companies.

Greenstat is an energy company with a spesific focus on green hydrogen, solar, wind and zero emission maritime solutions. The Group`s business is primarily related to investing in and developing green energy projects, sales of consulting services and sale of and installation of solar panels and investing in other green firms.

The address, and head office of the Group, is Fantoftvegen 38, 5072 Bergen.

The consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 22 June 2022.

Note 2 Basis of preperation and accounting policies

General
The accounting policies applied to the consolidated financial statements as a whole are described below. A more detailed description of accounting policies and significant estimates related to specific disclosures are presented in conjunction with each note in the aim of providing understanding of each accounting area.

Basis of preparation
For all periods up to and including the year ended 31 December 2020, the Group prepared its consolidated financial statements in accordance with generally accepted accounting principles in Norway (NGAAP). These consolidated financial statements of the Group for the year ended 31 December 2021, will be the first annual consolidated financial statements that comply with IFRS as endorsed by the EU. In these consolidated financial statements, the term "Norwegian GAAP" or "NGAAP" refers to Norwegian GAAP in use before the adoption of IFRS.

Subject to certain transition elections and exceptions disclosed in note 2, the Group has consistently applied the accounting policies used in the preparation of its opening IFRS statement of financial position at 1 January 2020 throughout all periods presented, as if these policies had always been in effect.

Note 2 discloses the impact of the transition to IFRS on the Group's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Group's consolidated financial statements for the year ended 31 December 2020 prepared under Norwegian GAAP.

Presentation
The consolidated financial statements are presented in NOK and have been prepared under the historical cost convention, unless otherwise stated in these accounting policies.

Greenstat ASA has been granted permission from the Norwegian authorities to publish the Group accounts in English only.

Consolidation

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Norwegian Kroners (NOK), which is Greenstat ASA' functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Group companies

All of Greenstat ASA`s subsidiaries have NOK as their functional currency.

Cash Flow Statement

The statement of cash flow is prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments.

Use of judgement and estimates

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported and disclosed at the reporting date. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from the estimates. In addition, management judgement is required in the application of accounting policies, especially when IFRS standard has alternative accounting, valuation and presentation methods.

Management believes that the following accounting principles represent those matters, where management judgement has the most significant effect on the amounts recognised or where different estimates could result in significant adjustment to reported carrying amounts within the next financial year. These are described in more detail in the related notes.

Accounting principle	Note
Share based payments	8
Leasing	16
Valuation of non-listed equity investments	22

Climate risk

Greenstat is exposed to climate-related risks mainly due to its project developments and services provided on transition to a zero-emission society. The climate-related financial risks for Greenstat derive mainly from regulatory, technological and reputational risks. Regulatory risk relates to some forms of renewable energy that might be restricted due to public and political opposition, in particular related to wind- and solar plants as they seize large area of land and may conflict with other use of the areas. Consequences might be that planned projects are not realized, relocated or downsized. Technological risk refers to material inputs used to produce wind, solar and hydrogen components, and that these could become less available due to climate change, and that demand for such components could result in project delays. And last, reputational risk refers to the fact that some forms of renewable energy might be perceived as rather controversial among people. The NIMBY (Not In My Back Yard) effect is particularly relevant for onshore wind power and hydrogen refuelling stations. Projects related to these solutions could result in local resistance that could affect the company's reputation.

The overall climate-related risks are perceived as low to medium. Risks related to wind power and wind turbine parks are sought mitigated through focusing on industry-wind, meaning that Greenstat will only engage in wind turbine projects connected to other industry infrastructure. Hence, the land required for the wind turbines will already be occupied by industrial operations, and the footprint on wild nature will be minimal. Predictable political frameworks are important for planning and assessing future investment needs, which technologies to develop and potential revenue derived.

Note 3 First time adoption of IFRS

First time adoption

As stated in note 2, these are the Group's first consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting policies set out in each note have been applied in preparing the financial statements for the period ended 31 December 2021, the comparative information presented in these financial statements for the year ended 31 December 2020 and in the preparation of an opening IFRS statement of financial position at 1 January 2020 (the Group's date of transition). In preparing its opening IFRS statement of financial position, the Group has adjusted the amounts reported previously in the financial statements prepared in accordance with Norwegian Generally Accepted Accounting Principles (NGAAP). An explanation of how the transition from NGAAP to IFRS has affected the Group's

Notes

financial position and financial performance and cash flows is set out in the tables below and the notes that accompany these tables.

Exemptions applied
IFRS 1 - First Time Adoption of International Financial Reporting Standards, allows first time adopters certain exemptions from the retrospective application of certain requirements under IFRS. The Group has applied the following exemptions:

IFRS 16 - Leases - Please refer to information on exemptions applied presented in note 16 - leases.

Group reconciliation of statement of financial position		31 December 2020			1 January 2020		
	Notes	NGAAP	Adjustments	IFRS	NGAAP	Adjustments	IFRS
ASSETS							
Intangible assets		276 600	-	276 600	85 208	-	85 208
Property, plant and equipment		600 349	-453 074	147 275	-	-	-
Right-of-use assets	A	-	1 562 415	1 562 415	-	233 708	233 708
Investment in associated companies		1 733 656	-	1 733 656	62 331	-	62 331
Other investments	B	5 665 970	8 240 000	13 905 970	553 636	-	553 636
Other non-current financial assets		500 276	-	500 276	15 000	-	15 000
Total non-current assets		**8 776 852**	**9 349 341**	**18 126 193**	**716 175**	**233 708**	**949 883**
Inventory		323 320	-	323 320	-	-	-
Trade receivables		1 245 551	-	1 245 551	156 863	-	156 863
Other receivables		1 266 551	-	1 266 551	1 972 323	-	1 972 323
Cash and cash equivalents		41 378 979	-	41 378 979	10 686 427	-	10 686 427
Total current assets		**44 214 401**	**-**	**44 214 401**	**12 815 613**	**-**	**12 815 613**
Total assets		**52 991 254**	**9 349 342**	**62 340 594**	**13 531 788**	**233 708**	**13 765 494**
EQUITY AND LIABILITIES							
Share capital		28 483 273	-	28 483 273	16 515 004	-	16 515 004
Treasury shares		-416 667	-	-416 667	-	-	-
Share premium		-	6 111 929	6 111 929	12 151 148	-	12 151 148
Not registered capital increase		22 365 545	-	22 365 545	1 976 043	-	1 976 043
Total paid-in-equity		**50 432 151**	**6 111 929**	**56 544 080**	**30 642 195**	**-**	**30 642 195**
Other equity		-2 122 586	2 122 586	-	-18 865 783	-	-18 865 783
Total equity		**48 309 565**	**8 234 515**	**56 544 080**	**11 776 412**	**-**	**11 776 412**
Non -current lease liabilities	A	-	605 357	605 357	-	158 895	158 895
Other non-current liabilities		379 733	-379 733	-	-	-	-
Total non-current liabilities		379 733	225 624	605 357	-	158 895	158 895
Current lease liabilities	A	-	889 203	889 203		74 813	74 813
Trade payables		816 192	-	816 192	413 161	-	413 161
Other current liabilities		3 485 764	-	3 485 764	1 342 213	-	1 342 213
Total current liabilities		**4 301 956**	**889 203**	**5 191 159**	**1 755 374**	**74 813**	**1 830 187**
Total liabilities		**52 991 254**	**9 349 342**	**62 340 594**	**13 531 788**	**233 708**	**13 765 494**
Total equity and liabilities		**52 991 254**	**9 349 342**	**62 340 594**	**13 531 788**	**233 708**	**13 765 494**

Notes

Group reconciliation of statement of profit or loss

	Note	NGAAP	Adjustments	IFRS
Revenue from contracts with customers		4 872 558	0	4 872 558
Other operating income		1 699 167	0	1 699 167
Total revenue and operating income		**6 571 725**	**0**	**6 571 725**
Materials and services		(969 544)	0	(969 544)
Personnell expenses		(17 928 390)	0	(17 928 390)
Depreciation and amortisation	A	(162 192)	(218 583)	(380 775)
Other operating expenses	A	(6 241 352)	227 617	(6 013 735)
Share of results from associated companies		(641 175)	0	(641 175)
Total operating expenses		**(25 942 654)**	**9 034**	**(25 933 620)**
Operating profit (EBIT)		**(19 370 929)**	**9 034**	**(19 361 895)**
Financial income	B	77 732	8 240 000	8 317 732
Financial expenses	A	(104 722)	(14 519)	(119 241)
Net financial items		**(26 990)**	**8 225 481**	**8 198 491**
Profit before taxes		**(19 397 919)**	**8 234 515**	**(11 163 404)**
Income taxes		0	0	0
Net profit		**(19 397 919)**	**8 234 515**	**(11 163 404)**

Group reconciliation of statement of cash flows

	Note	NGAAP	Adjustments	IFRS
Profit before income taxes	A, B	(19 397 919)	8 234 515	(11 163 404)
Share of results from associated companies		641 175	0	641 175
Depreciation	A	162 192	218 583	380 775
Net interest expenses	A	26 990	14 519	41 509
Change in fair value investments	B		(8 240 000)	(8 240 000)
Change in inventory		(323 320)	0	(323 320)
Change in trade receivables		(1 088 688)	0	(1 088 688)
Change in trade payables		403 030	0	403 030
Change in other provisions	A	2 849 322	127 094	2 976 416
Employee share warrants		5 985 720	0	5 985 720
Cash generated from operations		**(10 741 498)**	**354 711**	**(10 386 787)**
Interests paid		(104 722)	0	(104 722)
Interests received		77 732	0	77 732
Net cash flow from operations		**(10 768 488)**	**354 711**	**(10 413 777)**
Purchase of fixed assets		(574 201)	0	(574 201)
Purchase of shares and participations		(7 424 834)	0	(7 424 834)
Payments on purchase of own shares		(1 104 168)	0	(1 104 168)
Loans to related parties		(485 276)	0	(485 276)
Net cash flow from investments		**(9 588 479)**	**0**	**(9 588 479)**
Payments for the principal portion of lease liabilities	A	0	(354 709)	(354 709)
Proceeds from issuance of equity		51 049 517	0	51 049 517
Net cash flow from financing		**51 049 517**	**(354 709)**	**50 694 808**
Net change in cash and cash equivalents		**30 692 550**	**2**	**30 692 552**
Cash and cash equivalents at the beginning of the period		**10 686 427**	**0**	**10 686 427**
Cash and cash equivalents at the end of the period		**41 378 977**	**2**	**41 378 979**

Adjustemt A - Implentation of IFRS 16 leases - The Group as a lessee
On adoption of IFRS 16 Leases, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of NGAAP. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at January 1 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 4%. The associated right-of-use assets were measured at the amount equal to the lease liability, adjusted for the amount of any pre-paid or accrued lease payments related to that lease recognised in the balance sheet as at 1 January 2020. For further information about the effect of adopting IFRS 16, please refer to 'Note 16 - Leases'.

Adjustment B - Investments at fair value
The Group had previously recognised investments in companies where the Group has neither control nor significant influence at cost. Under IFRS 9 these investments are recognised at fair value through profit and loss. For further informastion, please refer to Note 22.

Note 4 Revenue

Accounting policies
Revenues from contracts with customers primarily comprise sale of

- Solar panels and installation services
- Consulting services
- Greensation

Solar panels and installation services
The Group sells solar panels and installation of solar panels. The Group considers the installation service to be distinct from the sale of solar panels, mainly due to them beeing seperately identifiable in the contract as they are seperately priced based on a stand alone pricing basis and the installation services do not signifcantly modify the solar panels.

Revenue from sale of solar panels are recognised at "point in time" when the control is transferred to the customers. Control is mainly transferred to the customers upon delivery. Revenue from installation services are recognised in line with hours performed, which normally correspond to the invoicing of the service. The allocation of revenue between sale of solar panels and installation services are based on the pricing in the contract, which is considered to represent the stand alone selling price of each service.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Consulting services
The Group sells consulting services. Consulting services are invoiced based on hours performed and the revenue is recognised using the input method based on hours performed.

Greenstation
The Group sells electricity through its own fast charging stations for electric vehicles. The revenue is recognised upon charging. The first pilot station at Straume outside Bergen were partially operational during 2021.

Operating revenue by activity	as % of total	2021	as % of total	2020
Solar panels and installation services	27%	2 872 938	15%	743 005
Consulting services	73%	7 846 907	85%	4 129 553
Greenstation	0%	51 489	0%	0
Total revenue	**100%**	**10 771 334**	**100%**	**4 872 558**

Operating revenue by geography	as % of total	2021	as % of total	2020
Norway	100%	10 771 334	100%	4 872 558
Abroad	0%	0	0%	0
Total revenue	**100%**	**10 771 334**	**100%**	**4 872 558**

Note 5 Government grants

Accounting policies
A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it, and that the grant will be received. Grants with no directly related expenses are recognised as revenue. Grants related to specific expenses are recognised in profit or loss in the same period as the relevant expenses, and classified as a reduction of such expense. Grants related to depreciable assets are netted against the carrying calue of the asset and recognised in profit or loss over the periods and in the proportions in which depreciation expense on the asset is recognised.

Government grants classified as	2021	2020
Other income	612 500	1 699 167
Total	**612 500**	**1 699 167**

Governmental funding received can be divided into 3 main categories: Funding backing marketing and comercial activities in Asia, mainly India, funding backing design and marketing of EV fast charging stations at the company's subsidiary Greenstation and funding backing projects within hydrogen and ocean wind. There are no unfullfilled conditions or contigencies attached to these grants.

Note 6 Inventories

Accounting policies
Inventories are valued at the lower of cost and net realisable value. Inventories mainly consist of solar panels used for solar energy installations.

	2021	2020
Inventories at cost	1 982 603	323 320
Total	**1 982 603**	**323 320**

During 2021, NOK 0 (2020: NOK 0) was recognised as an expense for inventories carried at net realisable value.

Note 7 Other operating expenses

	2021	2020
Consulting services	4 780 276	2 665 077
Fees for legal and accounting services	1 934 552	1 057 063
Travel expenses	746 589	213 165
Advertising expenses	422 752	454 739
Other	3 281 422	1 623 691
Total	**11 165 590**	**6 013 735**

Fees to auditors
The table below summarises audit fees, fees for further assurance services and tax services incurred by the Group during 2021 and 2020 from EY. Fees include all companies in the Group.

	2021	2020
Audit fees	110 000	52 530
Audit related services	318 006	145 208
Tax advisory	-	-
Other services	421 375	337 090
Total	**849 381**	**534 828**

All amounts are excl. VAT.

Note 8 Personnel expenses, remunerations and pensions

Accounting policies
Employee benefits are recognised in the period in which services are rendered by the employees. No loans or guarantees have been provided for the benefit of members of the board or the general manager. The company has individual bonus schemes.

Share-based payments
Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes model for option pricing.

That cost is recognised in employee benefits expense together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

Personnel expenses	2021	2020
Salaries/wages	17 864 093	9 226 817
Social security fees	2 797 104	2 157 072
Pension expenses	1 196 091	361 978
Employee stock options	3 112 620	5 985 720
Other benefits	1 056 753	196 803
Total	**26 026 662**	**17 928 390**
FTEs	23	17

Remuneration to management 2021	Title	Salary	Bonus	Other benefits	Total
Vegard Frihammer	CEO	1 111 833	88 167	100 894	1 300 894
Siri Østerhus	CFO	866 489	131 250	13 894	1 011 633
Karen Landmark	Chief Strategy Officer	910 730	131 250	10 739	1 052 719
Torstein Torsen Ekem	Manager Greenstat Energy	827 028	119 167	13 894	960 089
Kjetil Midtun*	Manager Greensight	441 263		6 722	447 985
Tomas Fiksdal	Chief Project Manager Hydrogen	990 889	151 666	13 897	1 156 452
Total		**5 148 232**	**621 500**	**160 040**	**5 929 772**

* Employed from 01.08.2021

Notes

Remuneration to board of directors 2021	Title	Total
Bernt Skeie	Chairman of the Board	69 250
Tom Georg Olsen	Board Member	64 186
Birgit Maria Liodden*	Board Member	121 594
Katharina Ringen Asting	Board Member	64 186
Irene Kristiansen	Board Member	-
Knut Olaf Nyborg	Board Member	34 625
Total		**353 841**

* Includes free use of hydrogen vehicle

Remuneration to management 2020	Title	Salary	Bonus	Other benefits	Total
Vegard Frihammer	CEO	982 038	79 583	93 139	1 154 760
Siri Østerhus*	CFO	164 103	1 523	-	165 626
Karen Landmark**	Chief Strategy Officer	463 333	-	5 328	468 661
Torstein Torsen Ekem	Manager Greenstat Energy	752 333	48 750	9 716	810 799
Tomas Fiksdal	Chief Project Manager Hydrogen	971 015	9 142	-	980 157
Total		**3 332 822**	**138 998**	**108 183**	**3 580 003**

* Employed from 19.10.2020

** Employed from 01.05.2020

Remuneration to board of directors 2021	Title	Total
Bernt Skeie	Chairman of the Board	-
Tom Georg Olsen	Board Member	20 000
Birgit Maria Liodden*	Board Member	38 274
Pål Tobiasson	Board Member	20 000
Katharina Ringen Asting	Board Member	-
Knut Olaf Nyborg	Board Member	-
Total		**78 274**

* Includes free use of hydrogen vehicle

Shares held by related parties as of 31 December 2021	Role	Number of shares	Share options
Vegard Frihammer	CEO	405 069	-
Siri Østerhus	CFO	41 280	20 000
Bernt Skeie	Chairman of the Board	196 197	38 274
Tom Georg Olsen	Board Member	-	20 000
Birgit Maria Liodden	Board Member	-	-
Katharina Ringen Asting	Board Member	9 050	-
Karen Landmark	Chief Strategy Officer	45 454	78 274
Torstein Thorsen Ekern*	Manager Greenstat Energy	-	
Tomas Fiksdal	Chief Project Manager Hydrogen	-	
Total		**697 050**	

* Owns 60% of Pollen Vind AS, which has a shareholding of 1 327 495 shares in Greenstat ASA.

Pensions
The group has a defined-contribution wich covers all of the employees. The defined-contribution scheme is expensed on an ongoing basis. The company's pension schemes meet the requirements of the law on compulsory occupational pension. The group companies Greenstat ASA, Greensight AS, Greenstat Energy AS and Greenstat Hydrogen AS pensions schemes includdes all employees and makes up between 4% and 8% of total salary. As of 31.12.21 there where 23 members of the scheme (17 in 2020).

The year's expense recognition of contributions to the pension scheme amounts to 1 196 091 (NOK 361 978 in 2020).

Share-based payments
1 700 000 new subscription rights are granted to employees in 2021. The exercise price per share is NOK 5,5. In 2020, 4 000 000 subscription rights were granted to employees. The exercise price per share is NOK 1.

The total capital increase if all subscription rights are exercised is NOK 13 350 000. The subscription rights are fully vested.

The following conditions applies to the subscription rights:

a) The subscription rights can only be exercised in the period from 01.07.2021 to 31.05.2023.

b I) The subscription rights granted in 2021 can only be exercised at the same time as the company carries out a share issue to a exercise price of minimum NOK 8 per share and where the total issue amount is minimum MNOK 20.

b II) The subscription rights granted in 2020 can only be exercised at the same time as the company carries out a share issue to a exercise price of minimum NOK 4 per share and where the total issue amount is minimum MNOK 10.

The fair value of the subscription rights were calculated using the Black-Scholes model for option pricing. The fair value of the subscription rights granted in 2021 was 2,7 MNOK (2020: MNOK 6), excluding employers` national insurance contribution.

The model inputs in the valuation of options granted during the year includes:

	2021	2020
Share-price at grant date	5,5	2,4
Exercise price	5,5	1
Duration of option (years)	2	3
Risk free interest rate	0,40%	0,28%
Volatility	62%	55%

Expense arising from equity-settled share-based payment transactions	2021	2020
Share-based payments included in total personell expenses*	3 112 620	6 829 707
Total	**3 112 620**	**6 829 707**

* Incl. employers` national insurance contributions

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year.

	2021	2021	2020	2020
	WAEP	No. of options	WAEP	No. of options
As at 1 January	1	4 000 000	-	-
Granted during the year	5,5	1 700 000	1	4 000 000
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
As at 31 December	**2,3**	**5 700 000**	**1**	**4 000 000**

Note 9 Intangible assets

Accounting policies

Intangible assets are recognized initially at cost. An intangible asset is recognized only if it is probable that the future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. All other costs are expensed as incurred. After initial recognition, intangible assets are measured at cost less amortizations and accumulated impairment losses. Intangible assets are with finite useful lives are amortized over their useful lives with the straight-line method. Assets that are subject to amortization are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the intangible asset exceeds its recoverable amount, an impairment loss equal to the difference is recognized in profit or loss. Gains and losses on disposal of intangible assets are included in other operating income and expenses.

Capitalised development expenses

Development costs are capitalized as intangible assets when it is probable that the development will generate future economic benefits for the Group, and certain criteria related to commercial and technological feasibility are met. Development projects are analysed individually to determine the moment when the project has reached a milestone after which capitalization of development costs can start. Capitalization is subject to CFO's approval. Only costs which are directly attributable to the development are capitalised. Subsequent to initial recognition, these costs are measured at cost less accumulated amortization and impairment losses.

Intangible assets 2021	Brand name	Website	Other rights	R&D	Total
Acquistition cost 1 Jan 2021	**20 000**	**479 995**	**-**	**-**	**499 995**
Additions	-	437 769	201 510	5 582 386	6 221 665
Acquisition cost cost 31 Dec 2021	**20 000**	**917 764**	**201 510**	**5 582 386**	**6 721 660**
Accumulated amortization and impairments 1 Jan 2021	**12 000**	**211 394**	**-**	**-**	**223 394**
Depreciation	4 000	125 145	18 901	-	148 046
Accumulated amortization and impairments 31. Dec 2021	**16 000**	**336 539**	**18 901**	**-**	**371 440**
Carrying value 1 Jan 2021	**8 000**	**268 601**	**-**	**-**	**276 600**
Carrying value 31 Dec 2021	**4 000**	**581 225**	**182 609**	**5 582 386**	**6 350 220**
Estimated useful life	3	5	10		
Depreciation plan	Linear	Linear	Linear		

Intangible assets 2020	Brand name	Website	Other rights	R&D	Total
Acquistition cost 1 Jan 2020	16 000	114 297	-	-	130 297
Additions	4 000	365 698			369 698
Acquisition cost cost 31 Dec 2020	20 000	479 995	-	-	499 995
Accumulated amortization and impairments 1 Jan 2020	4 000	41 089	-	-	45 089
Depreciation	8 000	170 305			178 305
Accumulated amortization and impairments 31. Dec 2020	12 000	211 394	-	-	223 394
Carrying value 1 Jan 2020	12 000	73 208	-	-	85 208
Carrying value 31 Dec 2020	8 000	268 601	-	-	276 600
Estimated useful life	3	5			
Depreciation plan	Linear	Linear			

Note 10 Property, plant & equipment

Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Depreciation is recognized according to plan based on the estimated economic lives of the individual assets and accounted for in accordance with the straigh-t-line method. The assets' residual useful lives are reviewed, and adjusted if appropriate, at each reporting date. Assets that are subject to depreciation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss equal to the difference is recognized in profit or loss.

The group applies the following useful lives	Years
Machinery and equipment	10
Furniture, fittings and equipment	5

Property, plant & equipment 2021	Machinery and equipment	Furniture, fittings and equipment	Asset under construction	Total
Acquistition cost 1 Jan 2021	-	158 039	-	158 039
Additions	3 680 839	874 782	2 930 197	7 485 818
Acquisition cost cost 31 Dec 2021	3 680 839	1 032 821	2 930 197	7 643 857
Accumulated amortization and impairments 1 Jan 2021	-	10 763	-	10 763
Depreciation	152 184	77 559	-	229 743
Accumulated amortization and impairments 31. Dec 2021	152 184	88 322	-	240 506
Carrying value 1 Jan 2021	-	147 275	-	147 275
Carrying value 31 Dec 2021	3 528 654	944 499	2 930 197	7 403 351

Property, plant & equipment 2020	Machinery and equipment	Furniture, fittings and equipment	Asset under construction	Total
Acquistition cost 1 Jan 2020	-	-	-	-
Additions	-	158 039		158 039
Acquisition cost cost 31 Dec 2020	-	158 039	-	158 039
Accumulated amortization and impairments 1 Jan 2020	-	-	-	-
Depreciation	-	10 763		10 763
Accumulated amortization and impairments 31. Dec 2020	-	10 763	-	10 763
Carrying value 1 Jan 2020	-	-	-	-
Carrying value 31 Dec 2020	-	147 275	-	147 275

Notes

Note 11 Trade and other receivables

Accounting policies

Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less lifetime credit loss.

The carrying amount of the trade and other receivables approximate to their fair values due to their short-term nature.

Expected credit losses

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Expected credit losses for customers that are financial institutuins or public customers is considered to be close to zero. For the remaining customers the Group have limited historical losses, but have accrued for expected credit losses based on an expected credit loss level within different aeging buckets. For details of the ageing of trade receivables and expected credit losses, please refer to the table below.

Trade and other receivables	2021	2020
Gross trade receivables	5 238 481	1 245 551
Provision for losses	-4 000	0
Total trade receivables	**5 234 481**	**1 245 551**

	2021	2020
Public duties and taxes	391 764	166 850
Prepaid expenses	1 016 887	178 822
Other receivables	3 883 797	920 880
Total other receivables	**5 292 448**	**1 266 551**

Movements in the Provision for Loss	
Opening balance	**0**
Provision of the year	-4 000
Realised loss on previous provisions this year	0
Closing balance	**-4 000**

Details on the credit risk concerning trade receivable are given in note 18.

The ageing of the trade receivables - 2021	Expected loss rate	Gross amount	Loss allowance	Net amount
Not due	0%	351 031	-	351 031
0 to 30 days due	0%	582 020	-	582 020
30-60 days due	0%	312 500	-	312 500
60-90 days due	0%	-	-	-
Over 90 days do	0%	-	-	-
Total trade receivables		**1 245 551**	**0**	**1 245 551**

The ageing of the trade receivables - 2020	Expected loss rate	Gross amount	Loss allowance	Net amount
Not due	0%	351 031	-	351 031
0 to 30 days due	0%	582 020	-	582 020
30-60 days due	0%	312 500	-	312 500
60-90 days due	0%	-	-	-
Over 90 days do	0%	-	-	-
Total trade receivables		**1 245 551**	**0**	**1 245 551**

Note 12 Trade and other payables

ACCOUNTING POLICIES

Trade and other payables are presented as current liabilities if they are due to be settled within 12 months from the end of the reporting period. They are recognized at their fair value and subsequently measured at amortized cost using the effective interest method. The carrying amount of the trade and other payables approximate to their fair values due to their short-term nature.

Trade and other payables	2021	2020
Trade payables	5 387 315	816 192
Accrued expenses	3 312 141	479 740
Public duties payable	3 111 180	2 008 783
Payroll liabilities	2 274 991	930 154
Other payables	456 301	67 088
Total trade other payables	**14 541 929**	**4 301 956**

Note 13 Cash and cash equivalents

ACCOUNTING POLICIES

Cash and cash equivalents comprise cash balances and call deposits with banks and other liquid investments that are readily convertible to known amount of cash within three months and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in current liabilities in the statement of financial position. Cash and cash equivalents are carried at nominal value, which corresponds to their fair value.

	2021	2020
Cash in bank	172 039 369	40 783 551
Restricted tax withholding for employees	1 015 673	595 427
Total cash and cash equivalents	**173 055 042**	**41 378 979**

Note 14

Share capital and shareholder information

Greenstat has one class of shares, and each share has one vote at the Annual General Meeting and equal rights to dividend and other distribution of assets.

ACCOUNTING POLICIES

Dividends proposed by the Board of Directors are not deducted from distributable equity until approved by the Annual General Meeting of Shareholders. When the Groups's own shares are repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction in equity.

Share class	Number	Nominal value	Book value
Ordinary shares	64 790 702	1	64 790 702

Largest shareholders at 31 December 2021	Number of shares	% of Total
Aker Clean Hydrogen AS	13 500 000	20,8%
Meteva AS	2 711 667	4,2%
Pollen Vind AS	1 327 495	2,0%
Myrlid AS	1 000 000	1,5%
Ole Petter Skonnord	961 138	1,5%
UNIFOB	897 667	1,4%
Oddvar Lien	800 000	1,2%
Austavind AS	666 667	1,0%
Saga Pure ASA	666 666	1,0%
AVGroup Sarl	573 333	0,9%
Top 10 shareholders	**23 104 633**	**35,7%**
Others	41 686 069	64,3%
Total	**64 790 702**	**100,0%**

Treasury shares

Greenstat ASA owns 129 694 treasury shares of a total number of 64 790 702 shares. The ratio of treasury shares is 0,2%. The pruchase price paid for treasury shares is split into two different categories, where the nominal value of treasury shares is included in paid in capital, and the purchase price exceeding nominal value of treasury shares is included in other equity. The average purchase price for treasury shares is NOK 3,4 per share.

Number of treasury shares	2021	2020
As of 1 January	416 667	-
Purchase	113 027	416 667
Purchase of shares in Viken Hydrogen AS*	-400 000	-
As of 31 December	**129 694**	**416 667**

*In 2021, Greenstat ASA purchased additional 20 000 of the shares in the associate Viken Hydrogen AS. The consideration was 400 000 of their own shares. Greenstat ASA has a call option to purchase additional 30 000 of the shares in Viken Hydrogen AS from H2 Energy AS and Nel Fuel AS. The call option can only be exercised after Viken Hydrogen AS has ordered hydrogen equipment for production of 8 tons per day.

As of today, Viken Hydrogen AS has not ordered hydrogen equipment yet and is not expected to do so in the immediate future.

As the call option can not be exercised yet, the option is not considered to give Greenstat ASA a present ownership right, hence Viken Hydrogen AS is not consolidated into the group financial statements.

H2 Energy AS and Nel Fuel AS have a put option that require Greenstat ASA to purchase additional 30 000 shares in Viken Hydrogen AS if the option is exercised. If the put or the call options are exercised, Greenstat ASA will be the owner of 60% of the shares in Viken Hydrogen AS.

The shares in Viken Hydrogen AS shall upon exercise of the options be valued at the higher of (i) NOK 80 with the price addition of 25% pro anno (based upon number of calendar days) on such amount from the closing date until the date of exercise of the options, and (ii) the valuation of Viken Hydrogen AS in the latest share issue in the company. The call and put option expires 22 March 2024. The fair value of the put and the call option is considered to be NOK 0 as of December 31 2021.

Note 15 Earnings per share

ACCOUNTING POLICIES

Basic Earnings per share (EPS) is calculated by dividing the net profit attributable to the shareholders of the Parent company by the weighted average number of shares in issue during the year, excluding shares purchased by Greenstat and held as own shares. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding during the year with the shares estimated to be delivered based on the share-based incentive plans.

	2021	2020
Earnings per share (NOK)	416 667	-
Basic	113 027	416 667
Diluted	-400 000	-

Weighted average number of shares during the year		
Basic	46 636 988	22 499 139
Diluted	46 636 988	22 499 139

Basic and diluted EPS are equal as the group has a net loss in both 2021 and 2020.

Note 16 Leases

ADOPTION OF IFRS 16

As part of the IFRS transition the Group implemented IFRS 16 Leases using a modified retrospective approach for adoption.

On adoption of IFRS 16 Leases, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of NGAAP. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at January 1 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 4%. The Group had one lease contract that were classified as financial before the implementation of IFRS. For this lease, the book value of the right of use asset and lease liability is brought forward at the date of implementation of IFRS (1 January 2020).

The associated right-of-use assets were measured at the amount equal to the lease liability, adjusted for the amount of any prepaid or accrued lease payments related to that lease recognised in the balance sheet as at 1 January 2020.

In applying IFRS 16 for the first time, the group used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with similar characteristics
- the exclusion of initial direct costs from the measurement of right–of-use assets as at 1 January 2020
- the use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate.
- measure a right-of-use asset at the date of transition to IFRSs with an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of transition to IFRSs

ACCOUNTING POLICIES - The Group as a lessee

The Group leases various offices as well as some warehouses. The lease contracts are typically made for fixed periods between 1 and 3 years.

The contracts may contain both lease and non-lease components. For leases of real estate the Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease liabilities are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees

Notes

- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group,
- makes adjustments specific to the lease, eg term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in some of the property- and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are exercisable only by the Group and not by the respective lessor.

ACCOUNTING POLICIES
- The Group as a lessor
The Group have one property which it subleases to a third party. The Sub-lease period is from 01.01.2021 to 31.12.2021, equal to the remaining lease period of the head lease agreement and is therefore classified as a finance sub-lease agreement.

Right of use assets	Vehicles	Warehouses and offices	Total
Balance at 1 January 2021	**453 074**	**1 109 341**	**1 562 415**
Additions	-	633 924	633 924
Depreciation charge of the year	(74 478)	(948 037)	(1 022 515)
Right of use assets at 31 December 2021	**378 596**	**795 228**	**1 173 824**
Balance at 1 January 2020	**-**	**233 708**	**233 708**
Additions	521 345	1 094 216	1 615 561
Depreciation charge of the year	(68 271)	(218 583)	(286 854)
Right of use assets at 31 December 2020	**453 074**	**1 109 341**	**1 562 415**

Amounts recognised in income statement	2021	2020
Interest income on lease receivables	(8 128)	0
Interest expense on lease liabilities	43 114	14 519
Depreciation right of use asset	1 022 515	286 854
Expenses related to short term leases	237 810	177 693
Expenses related to leases of low value	118 905	53 448
Variable lease payments	-	-
Total amount recognised in income statement	**1 414 217**	**532 514**

The group had total cash outflows for leases of NOK 1 361 375 in 2021 (2020: NOK 358 850). This amount includes cash outflows related to short term leases, low value leases and variable lease payments.

Movements in lease liabilities	2021	2020
Opening balance 1 January	**1 494 560**	**233 708**
Payments	-1 004 660	-354 709
Additions	633 924	1 615 561
Balance per 31 December	**1 123 824**	**1 494 560**

Lease liabilities - Maturity of undiscounted lease payments to be paid after reporting period	2021	2020
Less than one year	583 064	943 600
One to two years	198 064	383 000
Two to three years	198 064	70 000
Four to five years	144 704	70 000
More than five years	140 000	210 000
Total undiscounted lease payments	**1 263 896**	**1 676 600**

Note 17 Tax

Income tax expenses comprise of current and deferred tax. Deferred tax assets and liabilities charged by the same taxing authority are netted and, therefore, shown net on the statement of financial position.

ACCOUNTING POLICIES

Tax expense for the period includes current taxes of the Group companies based on taxable profit for the year, together with tax adjustments for previous years and changes in deferred taxes. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related income tax is also recognized in other comprehensive income or directly in equity, respectively. The share of results in associates is reported in the income statement based on the net result and thus, including the income tax effect.

Deferred income tax is recognized, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements as well as on tax loss carry forwards. Deferred income tax is determined using the tax rates and laws which have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred taxes are not recognized on temporary differences related to investments in subsidiaries to the extent that they will probably not be reversed in the foreseeable future.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The deferred tax assets and liabilities arising from consolidation are recognized in the consolidated statement of financial position if it is probable that the related tax effects will occur.

Effective Tax Reconciliation		2021	2020
Ordinary profit before tax		(41 439 086)	(11 163 404)
Expected tax expense	22%	9 116 599	2 455 949
Tax effect of:			
Permanent differences		-5 198 886	4 076 013
No recognition of deffered tax assets		-3 917 712	-6 531 961
Total income tax benefit (expense)		-	-

Deferred tax position	2021	2020
Property, plant and equipment	(303 157)	(117 929)
Trade receivables	0	(5 778)
Lease liabilities	174 950	(245 262)
Lease receivables	(177 192)	244 055
Tax losses carry forward	47 679 003	29 690 734
Total deferred tax positions	47 373 604	29 565 820
Not recognised in the balance sheet	-47 373 604	-29 565 820
Deferred tax asset	-	-

* No deferred tax asset has been recognized as the Group has no history of taxable profits.

NOK 47,4 million of tax loss carry forwards is related to Norwegian entities, and there is no expiry date on these losses.

Capital management
The objective of Greenstat ASA`s capital management is to optimize the capital structure of the business to ensure sufficient and timely funding over time to finance its activities at the lowest cost, in addition to investing in projects and technology which will increase the company`s return on capital employed over time.

Investment Policy
Greenstat ASA`s investment policy is based on pushing the green shift forward. The policy stresses two purposes: either the investments are in companies backing Greenstat's production-portfolios within their core businesses hydrogen, industry-wind and solar energy, or investments are placed in companies working towards a zero-emission society. These companies tend to work on specific projects to create green alternatives to the fossile solutions being used today. All investment decisions are executed by an Investment Comittee consisiting of CEO, CFO, CSO, Head of IR and Investments and the managing director of the business in question.

Liquidity Planning
Greenstat ASA has a strong focus on its liquidity situation in order to meet its short-term working capital needs. Greenstat had a liquidity reserve at 31 December 2021 of NOK 170,6 million being cash and cash equivalents (2020: NOK 41,4 million). No restriction related to cash and cash equivalents existed as of 31 December 2021, save for NOK 1 million in withholding tax.

Financial risk management

Market risk
Market risk is the risk of losses arising from movements in market prices. The Group holds signficant financial instruments that are affected by security prices.

Currency risk
The Group is exposed to currency risk related to investments in foreign entities and proceeds from these investments that vary with changes in the foreign exchange rate. The net income of the Group is also affected by currency fluctuations, as the profit and losses from foreign operations are translated into NOK using the average exchange rate for the period.

The currency risk for each of the Group`s subsidiaries is limited as each entity has its revenue and costs in its local currency.

Credit risk
Credit risk is the loss that the Group will suffer if a counterparty fails to perform its financial obligations.

The Group`s credit risks largely arise from trade receivables and cash and cash equivalents. The counterparts for the Group`s cash deposits are large banks which are considered to be solid. The Group assesses that there are no material risks associated with these deposits.

Credit risk related to trade receivables is assessed to be limited due to the high number of customers in the Group`s customers base. The Group continuous monitors overdue invoices.

Please refer to note 11 for further information.

Liquidity risk
Management monitors rolling forecasts of the group’s liquidity reserve (comprising cash and cash equivalents) on the basis of expected cash flows. The group has no external borrowings (except from leasing liabilities) and are purely financed through equity.

31.12.2021	<1 year	Y2	Y3	Y4	>5 years	Total
Long term debt	287 205	287 205	51 690			626 100
Lease liabilities	583 064	198 064	198 064	144 704	140 000	1 263 896
Trade payables	5 387 315					5 387 315

31.12.2020	<1 year	Y2	Y3	Y4	>5 years	Total
Lease liabilities	943 600	383 000	70 000	70 000	210 000	1 676 600
Trade payables	816 192					816 192

Classification of financial instruments

Accounting policies
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
The Group`s financial assets is comprised of unlisted and listed equity investments, other receivables and cash & cash equivalents.

The classification of financial assets at initial recognition depends on the nature of the asset`s contractually determined cash flows and which business model the Group applies to the management of its financial assets. At initial recognition, financial assets are recognised at fair value. Transaction costs may be added if financial assets are measured at amortised cost.

The Group classifies its financial assets in three categories:

- Financial assets measured at amortised cost
- Financial assets measured at fair value with changes in value through profit and loss

Financial assets measured at amortised cost
The Group measures financial assets at amortised cost if the following conditions are

met: the financial asset is being kept in a business model whose purpose is to receive contractually determined cash flows and the contractual terms and conditions for the financial asset give rise to cash flows solely comprising payments of interest and principal on certain dates.

The Group's financial assets at amortised cost comprise trade receivables, other receivables, cash & cash equivalents. Trade receivables which do not have a substantial financing element are measured at the transaction price in accordance with IFRS 15 Revenue from Contracts with Customers.

Financial instruments measured at fair value with changes in value through profit or loss
The Group has investments in listed and unlisted equity instruments. These investments are recognised at fair value and are also subsequently measured at fair value. Changes in fair value are recognised in profit or loss. Please refer to note 22.

Provision for losses on financial assets
The Group has made a provision for expected losses on all debt instruments that are not classified at fair value through profit and loss. The Group recognises expected credit losses on the basis of a specific assessment of each individual customer. The Group recognises its loss provision on the basis of for credit losses expected over the remaining life of the exposure, and not based on a 12-month expected loss.

Financial liabilities
Financial liabilities are, after initial recognition, classified as loans and liabilities. Loans and liabilities are recognised at fair value adjusted for directly attributable transaction costs.

Financial instruments at 31.12.2021	FVPL	Amortized cost	FVOCI	Total
Financial assets				
Trade receivables		5 234 481		**5 234 481**
Cash and cash equivalents		173 055 042		**173 055 042**
Investment in shares	17 627 207			**17 627 207**
Other non-current financial assets		2 938 353		**2 938 353**
Financial liabilities				
Other non-current liabilities		626 100		**626 100**
Trade payables		5 387 315		**5 387 315**

Financial instruments at 31.12.2020	FVPL	Amortized cost	FVOCI	Total
Financial assets				
Trade receivables			1 245 551	**1 245 551**
Cash and cash equivalents			41 378 979	**41 378 979**
Investment in shares		13 905 970		**13 905 970**
Other non-current financial assets			500 276	**500 276**
Financial liabilities				
Trade payables			816 192	**816 192**

Change in liabilities arising from financing activities	Leases	Total
At 01.01.2020	**233 708**	**233 708**
Cash flows	-354 709	-354 709
New leases	1 615 561	1 615 561
At 31.12.2020	**1 494 560**	**1 494 560**
Cash flows	-1 004 660	-1 004 660
New leases	633 924	633 924
At 31.12.2021	**1 123 824**	**1 123 824**

Note 19 Financial income / (-expense)

Finance income and expenses comprise interest, foreign exchange gains and losses and other financial income and expenses, such as fees to banks.

Financial income	2021	2020
Interest income	281 276	77 732
Interest income from lease receivables	8 128	-
Fair value adjustment shares	-	8 240 000
Foreign exchange gains	219 536	-
Gain from sale of shares	1 023 750	-
Other financial income	169 872	-
Total financial income	**1 702 563**	**8 317 732**

Financial expense	2021	2020
Interest expense	64 034	104 722
Interest expense on leasing liabilities	43 114	14 519
Foreign exchange loss	8 539	-
Fair value adjustment shares	8 873 100	-
Other financial expense	9 902	-
Total financial expense	**8 998 690**	**119 241**

Note 20 Group structure

The following subsidiaries are included in Greenstat ASA`s consolidated financial statements.

Company	Location	Equity interest 31.12.21	Equity interest 31.12.20	Parent
Greensight AS	Bergen, Norway	100,0%	100,0%	Greenstat ASA
Greenstat Asia AS	Bergen, Norway	100,0%	100,0%	Greenstat ASA
Greenstat Hydrogen India pvt ltd*	New Delhi, India	65,0%	65,0%	Greenstat Asia AS
Greenstat Energy AS	Arendal, Norway	100,0%	100,0%	Greenstat ASA
Greenstat Hydrogen AS	Bergen, Norway	100,0%	100,0%	Greenstat ASA
Greenstation AS	Bergen, Norway	100,0%	100,0%	Greenstat ASA
Greenstat Energy Installations AS**	Arendal, Norway	100,0%	N/A	Greenstat ASA
Greenstat Industrivind AS**	Arendal, Norway	88,1%	N/A	Greenstat ASA
Elgane Vind AS**	Arendal, Norway	56,0%	N/A	Greenstat Energy AS
Total				

* Greenstat Hydrogen India pvt ltd is not consolidated in the Group financial statements as it is considered immaterial.
** The subsidiaries are establised in 2021.

Note 21 Investments in associated companies

ACCOUNTING POLICIES
An associated company is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but without the ability to have control over those policies. Significant influence normally exists when the Group has 20% to 50% voting power through ownership and agreements. Investments in associated companies are accounted for using the equity method, after intially being recognised at cost.

Subsequent to initial recognition, the consolidated financial statements include the Group`s share of the profit and loss and OCI of the associate, until the date on which significant influence ceases to exist or the associated company becomes a subsidiary. The group's investment includes fair value adjustments for assets identified on acquisition, net of depreciation, amortization and any accumulated impairment losses. When the group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and further losses are not recognized.

See note 23 Related Parties for more information about transactions and balances between Greenstat ASA Group and equity-accounted investees.

Company	Location	Ownership and voting rights 31.12.2021	Ownership and voting rights 31.12.2020	2021	Carrying amount 2020
Glomfjord Hydrogen AS	Meløy, Norway	38,0%	33,0%	369 293	23 881
Green Yacht AS	Bergen, Norway	40,0%	33,0%	3 177 794	838 940
Meraker Hydrogen AS	Stjørdal, Norway	25,0%	25,0%	1 340 701	94 065
H2 Marine AS	Bergen, Norway	46,0%	23,3%	4 566 761	1 729
Viken Hydrogen AS	Lillestrøm, Norway	40,0%	27,0%	2 803 340	775 041
Stord Hydrogen AS	Stord, Norway	27,0%	N/A	3 250 000	-
Narvik Hydrogen AS	Narvik, Norway	50,0%	N/A	166 678	-

Investments in associated companies - Reconciliation

	2021	2020
At 1 January	1 733 656	62 331
Additions in the period	18 077 764	2 312 500
The Group`s share of associate`s result after tax	-4 136 852	-641 175
At 31 December	15 674 567	1 733 656

None of the associates are individually considered material for the group.

Note 22 Other investments

ACCOUNTING POLICIES

Other investments include equity investments in companies where the group has neither control nor significant influence, usually represented by less than 20 percent of the voting power. The investments are categorized as financial assets measured at fair value through profit and loss (FVTPL) and recognized at fair value at the reporting date. Subsequent to initial recognition, changes in financial assets measured at FVTPL are recognized in profit and loss.

The fair value of equity investments traded in active markets is based on quoted market prices at the end of the reporting period. These instruments are included in level 1 in the fair value hierarchy.

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3 of the fair value hierarchy. This is the case for unlisted equity securities, where the market price is based upon cash flow valuation, issue prices when available or cost price when cost is considered to be the best estimate for fair value.

Financial assets at fair value through profit or loss

Company	Ownership % 31.12.21	Ownership % 31.12.20	2021	2020
Listed equity investments				
Everfuel A/S	0,10 %	0,10 %	3 054 400	10 000 000
Aker Clean Hydrogen AS	0,03 %	0,00 %	1 072 500	-
Listed equity investments at 31 December			4 126 900	10 000 000
Non-listed equity investments				
Altered Power AS	0,66 %	0,70 %	99 630	99 630
Riversimple Movement Ltd	0,03 %	0,00 %	256 893	53 661
Evoy AS	0,72 %	0,70 %	499 975	499 975
Vimle AS	10,00 %	3,30 %	9 696 000	3 200 000
Green Waves AS	0,53 %	0,00 %	199 995	-
Hyrex AS	1,95 %	0,00 %	300 000	-
Kruser AS	0,33 %	0,00 %	100 250	-
Tidetec AS	1,11 %	0,00 %	313 500	-
Greenstat Hydrogen India pvt ltd*	100,0 %	100,0%	2 034 064	52 704
Non-listed equity instruments at 31 December			13 500 307	3 905 970
Listed and non-listed equity investments at 31 December			17 627 207	13 905 970

* Greenstat Hydrogen India pvt ltd is not consolidated in the Group financial statements as it is considered immaterial.

Sensitivity analysis for non-listed equity investments

Non-listed equity instruments are valued using the DCF method. The table below shows the changes in fair value when the discount rate (WACC) increases/decreases by 1 percentage point.

Other investments	Valuation technique	Change in input	Change in fair value
Non-listed equity investments	DCF	WACC + 1 percentage point	-1 300 000
Non-listed equity investments	DCF	WACC - 1 percentage point	1 600 000

Note 23 Related parties

ACCOUNTING POLICIES

Related parties are Group companies, associates, major shareholders, members of the board and management in the parent company and the group subsidiaries.

All transactions within the Group or with other related parties are based on the principle of arm`s length.

Summary of transactions and balances with significant related parties

Summary of transactions and balances with significant related parties	Relationship	2021	2020
Revenue from contracts with customers*			
Glomfjord Hydrogen AS	Associate	1 001 471	200 000
Meraker Hydrogen AS	Associate	75 350	49 000
H2 Marine AS	Associate	1 416 900	250 000
Viken Hydrogen AS	Associate	50 000	596 000
Trade receivables			
Glomfjord Hydrogen AS	Associate	-	125 000
Meraker Hydrogen AS	Associate	17 250	-
H2 Marine AS	Associate	471 625	312 500
Viken Hydrogen AS	Associate	-	148 750
Other non-current financial assets**			
Green Yacht AS	Associate	2 092 466	10 000
Meraker Hydrogen AS	Associate	810 000	-
H2 Marine AS	Associate	-	810 000

* Sale of consulting services
** Long term loan to associated companies

Notes

Note 24 Events after the reporting period

Russia's invasion of Ukraine has had a twofold influence on the group subsidiaries Greenstat Energy Installations AS in particular, as these are doing actual installations and construction of EV fast charging atations. On the one hand the soaring energy prices has led to an enormous increase in the demand for solar panel installations, on the other production of crucial components have been restrained due to sanctions on Russia for the ongoing invasion of Ukraine. On top of that, post covid shipping delays making good stuck in harbours and onboard container-ships, hits both subsidiaries Greenstat Installations AS and Greenstation AS. In the short to medium term the is a risk that planned installations or planned building of EV fast charging stations will be delayed.

As part of an international strategy, Greenstat Solar AS was established as a holding company for solar power energy production portfolio. Its first project is the establishment of Greenstat Solar BH in Bosnia Herzegovina. At April 15th 2022 Greenstat Solar BH bought 50% of a company named Drijn Energia for 2,8 MEUR. The investment in Drijn Energia is considered to be a joint venture (JV) and is accounted for using the equity method, after intially being recognised at cost. As part of the financing of this purchase, a debt-agreement of NOK 15 million was agreed with Sparebanken Vest.

To strengthen the solar power commitment in the Western part of Norwy, 100% of the shares in Solbære AS was acquired for NOK 800 000 in February 2022. Two project managers with solar power and solar panel installation knowledge are now located in Bergen. The Purchase Price Allocation (PPA) is incomplete at the date of release of the financial statements.

Building a better working world

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Greenstat ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Greenstat ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2021 and the income statement and cash flows statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

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

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by applicable legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 23 June 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Eirik Moe
State Authorised Public Accountant (Norway)

Eirik Moe
Statsautorisert revisor
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