

# **Financials 2024**

## **Norsk Renewables AS**

## PROFIT AND LOSS STATEMENT

### NORSK RENEWABLES AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2024	2023
Revenue		8 609 453	919 908
<b>Total income</b>		<b>8 609 453</b>	<b>919 908</b>
Employee benefits expense	1, 2	22 542 812	30 025 676
Depreciation of operating and intangible assets	3	319 700	252 300
Other expenses	1, 2, 4	5 800 471	12 936 797
<b>Total expenses</b>		<b>28 662 983</b>	<b>43 214 773</b>
<b>Operating profit</b>		<b>-20 053 530</b>	<b>-42 294 865</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Interest income from group companies	5	1 098 320	408 581
Interest income from associated companies	5	0	1 713 695
Other interest income		1 721 085	772 907
Other financial income		8 090 754	9 461 464
Write-down of financial assets	4, 5	20 154 245	477 213
Write-down of long-term investments	6, 7	16 803 408	45 455
Other interest expenses		8 084 739	2 571 292
Other financial expenses		3 368 110	7 516 566
<b>Net financial items</b>		<b>-37 500 343</b>	<b>1 746 121</b>
<b>Net profit before tax</b>		<b>-57 553 873</b>	<b>-40 548 745</b>
Income tax expense	8	421 337	45 793
<b>Net profit or loss</b>	9	<b>-57 975 209</b>	<b>-40 594 538</b>

# BALANCE SHEET

## NORSK RENEWABLES AS

ASSETS	Note	2024	2023
<b>NON-CURRENT ASSETS</b>			
<b>INTANGIBLE ASSETS</b>			
Intangibles	3	296 291	392 739
<b>Total intangibles assets</b>		<b>296 291</b>	<b>392 739</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
Equipment and other movables	3, 10, 11	197 580	322 214
<b>Total property, plant and equipment</b>		<b>197 580</b>	<b>322 214</b>
<b>NON-CURRENT FINANCIAL ASSETS</b>			
Investments in subsidiaries	6, 10	8 721 386	9 021 247
Loan to group companies	5, 12	42 305 554	18 346 253
Investments in associated companies	6, 10	64 022 732	54 178 456
Other investments	7, 10	14 222 413	14 667 079
Other long-term receivables	5	152 006	295 002
<b>Total non-current financial assets</b>		<b>129 424 090</b>	<b>96 508 038</b>
<b>Total non-current assets</b>		<b>129 917 961</b>	<b>97 222 990</b>
<b>CURRENT ASSETS</b>			
<b>DEBTORS</b>			
Accounts receivables	10, 11, 12	567 558	21 000
Other short-term receivables	4	3 710 179	3 724 494
Receivables from group companies	12	2 438 286	39 652 868
<b>Total receivables</b>		<b>6 716 022</b>	<b>43 398 362</b>
Cash and cash equivalents	10, 13	24 152 170	14 452 870
<b>Total current assets</b>		<b>30 868 192</b>	<b>57 851 231</b>
<b>Total assets</b>		<b>160 786 154</b>	<b>155 074 222</b>

## BALANCE SHEET

### NORSK RENEWABLES AS

EQUITY AND LIABILITIES	Note	2024	2023
<b>EQUITY</b>			
<b>PAID-IN CAPITAL</b>			
Share capital	14	2 091 057	758 253
Share premium reserve		57 556 804	76 426 456
<b>Total paid-up equity</b>		<b>59 647 861</b>	<b>77 184 709</b>
<b>Total equity</b>	<b>9, 15, 16</b>	<b>59 647 861</b>	<b>77 184 709</b>
<b>LIABILITIES</b>			
<b>OTHER NON-CURRENT LIABILITIES</b>			
Other non-current liabilities	11	22 500 000	23 500 000
<b>Total non-current liabilities</b>		<b>22 500 000</b>	<b>23 500 000</b>
<b>CURRENT LIABILITIES</b>			
Liabilities to financial institutions	10, 11	73 284 205	43 284 205
Trade payables	12	1 474 774	1 440 297
Public duties payable		1 639 199	3 543 697
Liabilities to group companies		1 146	0
Other current liabilities		2 238 969	6 121 314
<b>Total current liabilities</b>		<b>78 638 292</b>	<b>54 389 513</b>
<b>Total liabilities</b>		<b>101 138 292</b>	<b>77 889 513</b>
<b>Total equity and liabilities</b>		<b>160 786 154</b>	<b>155 074 222</b>

Stavanger, 26.06.2025  
The board of Norsk Renewables AS

*Pål Valseth*

Pål Selboe Valseth  
chairman of the board

*Kristin Skofteland*

Kristin Skofteland  
member of the board

*Torbjørn Elliot Kirkeby-Garstad*

Torbjørn Elliot Kirkeby-Garstad  
CEO

**Accounting principles**

The annual accounts have been prepared in accordance with the Norwegian accounting act and generally accepted accounting principles for small enterprises in Norway.

The change in accounting principles to small enterprises was done for the 2024 accounts. The company has in line with exception rules for small enterprises not restated comparative figures in the balance. Refer to note 9 for effects on equity.

**FOREIGN CURRENCY**

Monetary foreign currency items are valued at the exchange rate on the balance sheet date.

**OPERATING REVENUES**

Income from the sale of goods is recognised in the income statement once the delivery has taken place and the risk and return has been transferred.

Services are posted to income as they are delivered.

**TAX**

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net.

**CLASSIFICATION AND VALUATION OF FIXED ASSETS**

Fixed assets include assets included for long-term ownership and use. Fixed assets are valued at acquisition cost. Property, plant and equipment are entered in the balance sheet and depreciated over the asset's economic lifetime. Property, plant and equipment are written down to a recoverable amount in the case of fall in value which is expected not to be temporary. Value in use is the present value of future cash flows related to the asset. Writedowns are reversed when the basis for the write-down is no longer present.

**CLASSIFICATION AND VALUATION OF CURRENT ASSETS**

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that relate to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value.

**SHARES IN SUBSIDIARIES/SHARES**

Subsidiaries and shares are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

**RECEIVABLES**

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

**GROUP**

Group accounts are no longer prepared. The company uses the exeption rules for small enterprises.

**Note 1 Public grants**

In 2024 a grant of NOK 14 258 214 (12 897 914) was received by NORAD.

NOK 8 137 102 (9 477 947) is presented as reduction in employee, benefits expense and NOK 6 121 112 (3 419 967) is presented as other expenses.

Last year's figures are shown in parenthesis.

**Note 2 Salary costs and benefits, remuneration to the chief executive, board and auditor****SALARY COSTS**

	2024	2023
Salaries	18 442 172	22 053 652
Employment tax	3 017 876	3 631 468
Pension costs	690 300	426 363
Other benefits	6 513 576	13 392 140
Grant from Norad	-6 121 112	-9 477 947
<b>Total</b>	<b>22 542 812</b>	<b>30 025 676</b>

In 2024 the company employed 18 man-years.

In 2023 the company employed 20 man-years.

**PENSION LIABILITIES**

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

The management in Norsk Renewables AS has a long-term incentive program, approved by the Board, where they are offered shares as an incentive to further value creation and development of the Company. See also note 15 for more information here.

**AUDITOR**

Audit fees expensed for 2024 amount to NOK 572 000 ex. vat.

In addition there is a fee for other services of NOK 1 102 249 ex. vat.

**Note 3 Fixed assets**

	Fittings and fixtures	Intangibles	Total
Purchase cost as of 01.01.24	575 311	758 859	1 334 170
+ Inflow purchased fixed assets	24 766	73 853	98 619
<b>= Acquisition cost 31.12.24</b>	<b>600 077</b>	<b>832 711</b>	<b>1 432 788</b>
Accumulated depreciation 31.12.24	402 497	536 420	938 917
<b>= Book value 31.12.24</b>	<b>197 580</b>	<b>296 291</b>	<b>493 871</b>
This year's ordinary depreciations	149 400	170 300	319 700
Economic life	3-5 years	4 years	

**Note 4 Other short-term receivables**

Norsk Renewables AS (lender) has a loan agreement with a third party (borrower) with payment of the loan in full or tranche within a deadline that was set to July 31st, 2022. Due to the highly uncertain and unpredictable situation in Ukraine, including the enforcement of Martial Law, leading to limitation of foreign fund transfers, Norsk Renewables AS has assessed there to be a significant increase in credit risk. After assessing the fair value of the short-term loan receivables, Norsk Renewables AS recognized a credit risk loss provision in 2022, the same with the interest and change currency in 2024. Interest charges and change in currency changes in 2024, a total of NOK 0.9 million has also been put as a loss. Norsk Renewables AS has total recognized a credit risk loss provision, equivalent to the full loan amount of principal and accrued interest totalling NOK 8.7 million in December 2024.

Write-down of financial assets in 2023 are 0.477 million in loan Norsk Solar Nicaragua.

Write-down of financial assets in 2024 are 0.321 million in loan Norsk Solar Nicaragua, 3.086 million in loan Norsk Solar AS Vietnam Co Ltd and 16.746 in loan Norsk Solar Brasil Ltda.

**Note 5 Receivables with a maturity later than one year**

	2024	2023
Loans to group company	42 305 554	18 346 253
Other long-term receivables	152 006	295 002
<b>Total long-term receivables</b>	<b>42 457 560</b>	<b>18 641 255</b>

Interest of NOK 1 098 320 in 2024 from group companies, NOK 408 581 for 2023.

Interest of NOK 0 in 2024 from associated companies. NOK 1 713 695 for 2023.



**Note 6 Investments in subsidiaries and associated companies**

	<b>Municipa- lity</b>	<b>Owner share</b>	<b>Purchase cost</b>	<b>Brought to balance val.</b>
<b>ASSOCIATED COMPANY</b>				
Nordic Impact Cooperation AS	Stavanger	33,9%	80 087 679	64 022 732
<b>Total</b>			<b>80 087 679</b>	<b>64 022 732</b>
<b>SUBSIDIARIES</b>				
Norsk Renewables Netherlands B.V	Netherland	100,0%	1 146	1 146
Norsk Solar AS Vietnam Co Ltd	Vietnam	100,0%	293 794	0
Norsk Solar Brasil Ltda.	Brasil	100,0%	1 265 720	1 265 720
Norsk Solar Epc AS	Stavanger	100,0%	30 000	30 000
Norsk Solar Spain S.L	Spania	100,0%	31 334	31 334
Semypolky Solar Ltd	UK	64,3%	22 130 872	7 393 186
<b>Total</b>			<b>23 752 866</b>	<b>8 721 386</b>
<b>Total securities</b>			<b>103 840 544</b>	<b>72 744 118</b>

Due to an impairment test from the company the investment in Semypolky Solar Ltd had indicated a value of shares of NOK 7 393 187 and hence an impairment of NOK 14 737 686, presented in write-down of long term investments, done in year 2022. No change in year 2023 and 2024.

The company has done an impairment of NOK 293 794 of investment in Norsk Solar AS Vietnam Co Ltd and NOK 16 064 947 of Nordic Impact Cooperation AS presented in write-down of long term investments.

**Note 7 Other investments**

	<b>Purchase cost</b>	<b>Brought to balance val.</b>
<b>NON-CURRENT FINANCIAL ASSETS</b>		
Gharo Solar	14 044 379	13 599 712
Sustainable Energy Group (Pty)	622 700	622 700
<b>Total</b>	<b>14 667 079</b>	<b>14 222 412</b>

Owner share/shares of votes in Gharo Solar is 10% and 1,84% in Sustainable Energy Group (Pty).

In year 2024 there have been an impairment adjustment in Gharo Solar of NOK 444 666.

**Note 8 Tax**

<b>This year's tax expense</b>	<b>2024</b>	<b>2023</b>
Entered tax on ordinary profit/loss:		
Payable tax	421 337	45 793
Changes in deferred tax assets	0	0
<b>Tax expense on ordinary profit/loss</b>	<b>421 337</b>	<b>45 793</b>

Taxable income:		
Result before tax	-57 553 873	-40 548 745
Permanent differences	34 559 633	5 103 621
Changes in temporary differences	-342 749	544 072
<b>Taxable income</b>	<b>-23 336 989</b>	<b>-34 901 051</b>

Payable tax in the balance:		
Payable tax on this year's result	0	0
<b>Total payable tax in the balance</b>	<b>0</b>	<b>0</b>

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	<b>2024</b>	<b>2023</b>	<b>Difference</b>
Tangible assets	-159 473	-47 993	111 479
Allocations and more	0	-454 229	-454 229
<b>Total</b>	<b>-159 473</b>	<b>-502 222</b>	<b>-342 749</b>
Accumulated loss to be brought forward	-136 601 303	-113 264 314	23 336 989
Not included in the deferred tax calculation	136 760 776	113 766 536	-22 994 240
<b>Deferred tax assets (22 %)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Deferred tax not included in the balance sheet.

Payable tax are already paid withholding tax on dividend from Gharo Solar.

**Note 9 Equity capital**

	Share capital	Share premium	Total equity capital
Balance December 31, 2023	758 253	76 426 456	77 184 709
Changes of principle*		454 229	454 229
<b>As at 01.01.2024</b>	<b>758 253</b>	<b>76 880 685</b>	<b>77 638 938</b>
Result for the year		-57 975 209	-57 975 209
Capital Increase**	1 208 952	35 059 637	36 268 589
Capital Increase***	123 852	3 591 691	3 715 543
<b>Balance December 31, 2024</b>	<b>2 091 057</b>	<b>57 556 804</b>	<b>59 647 861</b>

\*Change of principle regarding employment options.

\*\*The company decided on 2th of April 2024 a capital increase.

The company's share capital increased with NOK 1 208 952 with issuance of 120 895 299 new shares. The share capital increase was registered in Brønnøysund the 4th of April, 2024.

\*\*\*The company decided on 22th of April 2024 a capital increase.

The company's share capital increased with NOK 123 852 with issuance of 12 385 143 new shares. The share capital increase was registered in Brønnøysund the 29th of April, 2024.

**Note 10 Charges and guarantees**

Debt secured by charges, mortgages and guarantees	31.12.2024	31.12.2023
Long-term debt to credit institutions	73 284 205	43 284 205
<b>Total</b>	<b>73 284 205</b>	<b>43 284 205</b>

**Book value of charged assets**

Shares	86 966 530	77 866 783
Inventories	197 580	322 214
Customer receivables	567 558	21 000
<b>Total</b>	<b>87 731 668</b>	<b>78 209 997</b>

The company has pledged a warranty of NOK 26 700 000, a surety bond of NOK 25 000 000, a factoring agreement with face value of NOK 55 000 000, equipment with face value of NOK 55 000 000, stock with face value of NOK 55 000 000, simple money claims with face value of NOK 50 000 000, shares with face value of NOK 110 000 000 and various with face value of NOK 150 000 000.

See also note 11 regarding grants from Innovasjon Norge and pledged security.

**Note 11 Other non-current liabilities**

Norsk Renewables AS was granted a loan from Innovasjon Norge AS in 2020 of MNOK 5. The following is pledged as security: Machinery and plant, 1. priority of MNOK 5, Inventory, 1. priority MNOK 5, factoring 1. Priority MNOK 5. The loan matures July 10, 2027.

Norsk Renewables AS was granted a loan from Innovasjon Norge AS in 2023 of NOK 20 million. The following is pledged as security: Machinery and plant, 1. priority of MNOK 20, Inventory, 1. priority MNOK 20, factoring 1. Priority MNOK 20. The loan matures July 4, 2033.

Norsk Renewables AS had a bridge facility for construction financing with Sparebanken 1 SR Bank of NOK 100MNOK. These liabilities will be repaid at 20.12.2025 and are classified as short term liabilities in this year's statement.

See also note 14.

**Note 12 Inter-company balances and transactions**

	<b>Accounts receivables</b>		<b>Other receivables</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Companies in the same group	0	0	44 743 839	57 999 121
Associated companies	567 558	21 000	0	0
<b>Total</b>	<b>567 558</b>	<b>21 000</b>	<b>44 743 839</b>	<b>57 999 121</b>

  

	<b>Trade payable</b>		<b>Other current liabilities</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Companies in the same group	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

There are a management fee agreement with Nordic Impact Cooperation AS with monthly fee of NOK 62 500.

The shares and loan to Norsk Solar Brasil 2 SA were sold to Nordic Impact Cooperation AS. The sale were sold to face value and no profit.

One of the loans to group companies (NOK 2 035 625) have been reclassified in 2024 from long term to short term.

**Note 13 Bank deposits**

Funds standing on the tax deduction account (restricted funds) are NOK 911 800.

**Note 14 Shareholders****THE SHARE CAPITAL IN NORSK RENEWABLES AS AS OF 31.12 CONSISTS OF:**

	<b>Total</b>	<b>Face value</b>	<b>Entered</b>
A-shares	209 105 704	0,01	2 091 057
<b>Total</b>	<b>209 105 704</b>		<b>2 091 057</b>

**OWNERSHIP STRUCTURE**

The largest shareholders in % at year end:

	<b>A-shares</b>	<b>Owner interest</b>	<b>Share of votes</b>
Valinor AS	143 753 821	68,7	68,7
Helgø Forvaltning AS	10 000 000	4,8	4,8
Helgø Invest AS	7 666 666	3,7	3,7
<b>Total &gt;3% ownership share</b>	<b>161 420 487</b>	<b>77,2</b>	<b>77,2</b>
Total other	48 761 347	23,3	23,3
<b>Total number of shares</b>	<b>210 181 834</b>	<b>100,5</b>	<b>100,5</b>

**Note 15 Going concern**

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future and will be able to meet its liabilities as they fall due.

The Directors have considered the Company's current financial position, including its liquidity risk and future funding requirements. At 31.12.2024, the Company had cash balances of NOK 24 152 170 and net current liabilities of NOK 47 770 099. Notably, most of the short-term liabilities consisted of a loan facility with Sparebank1 Sør-Norge (SR Bank), which on the balance sheet day had an outstanding balance of NOK 73 284 205. This was deemed a short-term liability at that time since negotiations for new terms and an extended duration had not yet concluded.

In the year, the Company experienced some delays in processes initiated for sale of shareholdings in certain assets, as well as for fundraising, with consequent delays in expected proceeds. These delays have created significant risk to the Company's short-term liquidity and a need for temporary bridge financing of working capital. Furthermore, experiences gained during the sales and fundraising processes have prompted a realignment of the Company's strategy and consequent change in organisation, in part to enhance and better match the nature of the interest shown by asset buyers and relevant equity investors, as well as to further strengthen and focus the Company's market position.

In response to the increased liquidity risk, management has prepared detailed cash flow forecasts covering a period up until December 2026. These forecasts reflect the impact of the current economic environment and incorporate assumptions around cost management, deferral of non-essential expenditure, and the availability of additional funding.

The Company has been in active discussion with its largest shareholders to secure bridge financing for the requisite share of working capital needed up until being caught up with the delays in asset sale. With regards to this bridge financing, the company has had 2 out of 3 installments of convertible shareholder loans covered in full by shareholders, amounting to more than 70% of the total bridge financing needed. The final installment will be issued during July, and work is currently ongoing to have shareholders committed also to the full amount of that last installment.

Furthermore, the terms of the SR bank loan facility have recently been renegotiated, with the duration being extended to December 2025, and with provisional agreement to extend it further into 2026.

However, until all the bridge financing for working capital is in place, and the sales processes have materialized as forecasted, material uncertainty exists which may cast significant doubt upon the Company's ability to continue as a going concern.

Notwithstanding this material uncertainty, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

## **Note 16 Subsequent events**

The financial statements were approved by the Board of Directors on 26.06.25.

The Company has evaluated events that occurred after the reporting date, 31.12.2024, and up to the date of approval of the financial statements, to determine whether any require adjustment or disclosure.

### **Adjusting Events**

No adjusting events have been identified.

### **Non-Adjusting Events**

The following material non-adjusting events occurred after the reporting date:

During Q1-2025, the Company observed a heightened and increasing liquidity risk. Actions were taken to address and mitigate this, as described in Note 15, and below.

On 14.05.2025, a Share Purchase Agreement was signed by all parties for the sale of the co-owned operational assets in Vietnam, with an anti-trust evaluation by the Vietnamese authorities due as a final step until final closing.

On 16.05.2025, the Company issued a convertible shareholder loan of NOK 2 500 000 directed to its majority shareholder, Valinor AS, the proceeds of which have since been received.

On 22.05.2025, Innovasjon Norge approved a change in the covenants for the NOK 20 000 000 loan that the Company has with them. This was a result of the Company requesting a change to align covenants across debt facilities.

On 23.05.2025 the Company signed a term sheet to enter into a new loan agreement with SR Bank, which constitutes an extension and replacement of a previously existing debt facility, on principally the same terms as before, with the balance of the loan at that time becoming the new size of the facility, but with the tenor extended up to 20.12.2025. The term sheet is currently being prepared into complete documentation, mainly to formalize updates on existing securities and pledges.

These events do not affect the amounts recognized in the financial statements for the year ended 31.12.2024 but have been disclosed to ensure users of the financial statements are informed of material developments.