

Annual Accounts for 2021

**SOILTECH AS
4313 SANDNES**

Contents

Board of Director`s Report

Income statement

Balance Sheet

Cash Flow

Notes to the Accounts

Auditor`s Report

Soiltech AS

**BOARD OF DIRECTORS
REPORT**

2021

1. Nature of business and location

The Group Soiltech AS (the Company) consists of subsidiary Soiltech Offshore Services AS and Parent Company Soiltech AS. Soiltech was established in 2011 and is a leading provider of cleantech services with a focus on handling, recycling and responsible management of contaminated water and solid industrial waste streams. In 2021, the Company had operations in Norway, the United Kingdom, the Netherlands and Abu Dhabi. The Company's head office is at Koppholen 25 in Sandnes.

2. Highlights in 2021 financial year

- The Company has increased the range of services throughout the year and the board sees this as strategically important for the Company.
- In 2021, the Company has been awarded several new projects with leading industrial players.
- Significant investments have been made in equipment throughout the year, based on increased activity and prospects ahead.
- In 2021, Soiltech AS was registered on the NOTC list for unlisted shares and moved into new premises in Koppholen 25 at Forus.

3. Financial performance

Parent Company:		
Key figures (NOK mill)	2021	2020
Turnover	136,8	81,9
Profit before tax	14,1	3,9
Net result	10,7	3,1
Total capital	211,3	147,6
Working capital	52,5	41,4
Equity	113,0	92,9
Equity ratio	53 %	63 %

Group:		
Key figures (NOK mill)	2021	2020
Turnover	136,6	81,6
Profit before tax	14,3	3,9
Net result	10,9	3,1
Total capital	212,8	151,0
Working capital	53,5	42,4
Equity	113,2	93,0
Equity ratio	53 %	62 %

Activity has been consistently high throughout the year despite Covid-19. The turnover increased by 68% compared to 2020 and the result was, in the Board's assessment, satisfactory. Net profit of NOK 10.9 million is transferred to other equity.

4. Risk assessment

Throughout 2021, the covid-19 pandemic has dominated the risk picture and infection control measures both offshore and onshore have affected operations. To date, however, the Company has not had major negative consequences from the pandemic.

- Financial risk - The Company is primarily exposed to financial risk related to accounts receivable, liquidity and interest-bearing debt.
- Market risk - The Company is to some extent exposed to currency risk through our purchases of fixed assets. The Company does not carry out hedging contracts, but this is something that is assessed on a regular basis. Interest rate risk is linked to the Company's debt portfolio, the debt has a floating interest rate linked to NIBOR. The Company has good liquidity and does not see this as a major risk as of 31.12.2021.
- Credit risk - The risk of losses on receivables is considered low, as the Company's customers are solid.
- Liquidity risk - Liquidity risk is the risk that the Company will not be able to meet its payment obligations when due. Good liquidity is an important prerequisite for the group's profitability and opportunity to invest in capital-intensive business areas. The management of liquidity risk is part of the goal of financial flexibility and has a high priority. Cash flow has been good throughout the year. The Company's liquidity is considered good.
- The Company has board liability insurance with a coverage of NOK 50 million.

5. Going concern assumption

The annual accounts and the information presented in the board of directors' report have been prepared on the basis of going concern assumption ref. Accounting act §3-3a.

6. Working environment

The Company had a sickness absence of 2.1% in 2021. The board perceives the working environment and the general well-being in the workplace as good. There have been no serious injuries related to the Company's operations.

7. Technology development

As part of the business, the Company is developing a technology for environmental treatment of drilling waste.

8. Equal opportunities

The Company has incorporated guidelines aiming to ensure that there is no discrimination based on gender and nationality. The Company works targeted and systematically with recruitment, salary and working conditions, promotion, and development opportunities.

The management consists of both men and women. The board has six members, all of whom are men.

9. External environment

The board is not aware that the Company, including its input factors and products, has negatively affected the external environment significantly.

10. Outlook

Higher oil prices and prospects for the end of the Corona pandemic have created great optimism in the market. The board expects a continued increase in the Company's activity in 2022. An uncertain geopolitical situation may have an impact on the Company's results.

11. Other matters (if any)

As far as the Board of Directors is aware, there have been no other significant events since the closing of the accounts which would impact the financial position and profits of the Company.

Sandnes, March 17, 2022

The board of directors of Soiltech AS

Jan Erik Tveteraas (Sign.)
Chairman of the Board

Olaf Skrivervik (Sign.)
Member of the Board

Robert Hvide Macleod (Sign.)
Member of the Board

Carsten Brückner (Sign.)
Member of the Board

Glenn Åsland (Sign.)
Member of the Board

Eirik Flatebø (Sign.)
Member of the Board

Oluf Bergsvik (Sign.)
Chief Executive Officer

Soiltech AS

INCOME STATEMENT OF 2021

PARENT COMPANY			GROUP			
2021	2020	Note	OPERATING REVENUES AND COST	Note	2021	2020
136 655 911	81 466 582	1	Revenue	1	136 545 135	81 115 475
101 207	456 006	1	Other operating income	1	101 207	456 006
136 757 118	81 922 588	1	Total operating income	1	136 646 342	81 571 481
-75 697 877	-37 073 124		Raw materials and consumables used		-30 340 110	-8 522 781
-20 102 313	-15 682 754	2, 3, 4, 5,6	Staff costs	2, 3, 4, 5,6	-62 210 361	-41 631 870
-11 790 602	-9 302 230	10	Depreciation of fixed assets and intangible assets	10	-11 790 602	-9 302 230
1 205 361	-4 773 835	10	Write-down on fixed assets and intangible assets	10	1 205 361	-4 773 835
-14 989 738	-9 919 926	7	Other operating expenses	7	-17 953 574	-11 994 428
-121 375 168	-76 751 869		Sum operating expenses		-121 089 285	-76 225 144
15 381 949	5 170 720		OPERATING PROFIT		15 557 056	5 346 338
FINANCIAL INCOME AND FINANCIAL EXPENSES						
0	180 200		Income from investments in subsidiaries and associated companies		0	0
191 310	173 418		Other interest income		191 310	174 586
264 702	213 705		Other financial income		269 830	217 602
-1 563 556	-1 606 260		Other interest expenses		-1 563 795	-1 607 031
-179 179	-233 569		Other financial expenses		-179 179	-233 569
-1 286 723	-1 272 506		NET FINANCIAL ITEMS		-1 281 834	-1 448 412
14 095 226	3 898 214		ORDINARY RESULT BEFORE TAX		14 275 222	3 897 926
-3 348 112	-790 264	11	Corporate income tax	11	-3 387 711	-790 264
10 747 114	3 107 950		NET PROFIT OF THE YEAR		10 887 511	3 107 662
			The minority's share of earnings	0		
			Result by minority interests	10 887 511		
TRANSFERS						
10 747 114	3 107 949		Transfers to other equity		10 887 511	3 107 949
10 747 114	3 107 949		Total allocations		10 887 511	3 107 949

Soiltech AS

BALANCE SHEET, DECEMBER 31st 2021

PARENT COMPANY			GROUP			
31.12.2021	31.12.2020	Note	ASSETS	Note	31.12.2021	31.12.2020
			<i>Non Current assets</i>			
			<i>Intangible fixed assets</i>			
460 573	460 573		Concessions, patents, licenes, trade marks and similar rights		460 573	460 573
460 573	460 573		Total intangible assets		460 573	460 573
			<i>Tangible fixed assets</i>			
22 663 392	24 286 304	10, 16	Machinery and plant	10, 16	22 663 392	24 286 304
99 812 961	70 998 659	10, 16	Fixtures and fittings, tools, office machinery, etc	10, 16	99 812 961	70 998 659
122 476 353	95 284 963		Total tangible fixed assets		122 476 353	95 284 963
			<i>Financial assets</i>			
788 000	788 000	8	Investments in subsidiaries	8	0	0
293 891	315 263	13	Other receivables	13	293 891	315 263
1 081 891	1 103 263		Total financial assets		293 891	315 263
124 018 817	96 848 799		Total non current assets		123 230 817	96 060 799
			<i>Current assets</i>			
			<i>Receivables</i>			
34 321 539	11 095 229	13, 16	Trade debtors	13, 16	34 321 539	11 095 229
15 658 752	2 896 770	8, 13	Other debtors	8, 13	16 059 204	3 154 348
771 716	771 716	8	Group debtors	8	0	0
50 752 007	14 763 715		Total receivables		50 380 743	14 249 577
36 536 807	35 954 315	14	Bank deposits, cash in hand, etc	14	39 232 210	40 696 154
87 288 814	50 718 030		Total current assets		89 612 953	54 945 731
211 307 631	147 566 829		TOTAL ASSETS		212 843 769	151 006 529

Soiltech AS

BALANCE SHEET, DECEMBER 31st 2021

PARENT COMPANY				GROUP		
31.12.2021	31.12.2020	Note	EQUITY AND LIABILITIES	Note	31.12.2021	31.12.2020
			<i>Equity</i>			
			<i>Paid-in capital</i>			
720 043	659 779	9, 15	Share capital	9, 15	720 043	659 779
68 913 605	60 765 999	15	Share premium reserve	15	68 913 605	60 765 999
1 131 192	0	5	Other paid-in capital	5	1 131 192	0
<u>70 764 840</u>	<u>61 425 778</u>		Total paid-in capital		<u>70 764 840</u>	<u>61 425 778</u>
			<i>Retained earnings</i>			
42 207 460	31 460 345	15	Other equity	15	42 484 629	31 597 116
<u>42 207 460</u>	<u>31 460 345</u>		Total retained earnings		<u>42 484 629</u>	<u>31 597 116</u>
<u>112 972 300</u>	<u>92 886 123</u>	15	Total equity	15	<u>113 249 469</u>	<u>93 022 894</u>
			<i>Liabilities</i>			
			<i>Provisions</i>			
6 039 782	3 583 023	11, 12	Deferred tax	11, 12	6 039 782	3 583 023
910 946	1 012 153		Other provisions		910 946	1 012 153
<u>6 950 728</u>	<u>4 595 176</u>		Total provisions		<u>6 950 728</u>	<u>4 595 176</u>
			<i>Long-term liabilities</i>			
55 000	206 700	16	Convertible loans	16	55 000	206 700
28 217 954	20 550 000	16	Liabilities to financial institutions	16	28 217 954	20 550 000
<u>28 306 166</u>	<u>20 039 882</u>	16	Other long-term liabilities	16	<u>28 306 166</u>	<u>20 039 882</u>
<u>56 579 120</u>	<u>40 796 582</u>		Total long-term liabilities		<u>56 579 120</u>	<u>40 796 582</u>
			<i>Current liabilities</i>			
23 912 761	5 601 972		Trade payable		13 320 608	2 802 318
891 353	0	11	Tax payable	11	930 952	0
1 168 761	980 002		Public duties payable		7 293 230	3 599 729
<u>8 832 608</u>	<u>2 706 974</u>		Other short-term liabilities		<u>14 519 662</u>	<u>6 189 830</u>
<u>34 805 483</u>	<u>9 288 948</u>		Total current liabilities		<u>36 064 452</u>	<u>12 591 877</u>
<u>98 335 331</u>	<u>54 680 706</u>		Total liabilities		<u>99 594 300</u>	<u>57 983 635</u>
<u>211 307 631</u>	<u>147 566 829</u>		TOTAL EQUITY AND LIABILITIES		<u>212 843 769</u>	<u>151 006 529</u>

Sandnes, March 17, 2022
The board of directors of Soiltech AS

Eirik Flatebø (Sign.)
Member of the Board

Jan Erik Tveteraas (Sign.)
Chairman of the Board

Glenn Åsland (Sign.)
Member of the Board

Robert Hvide Macleod (Sign.)
Member of the Board

Olaf Skrivervik (Sign.)
Member of the Board

Carsten Brückner (Sign.)
Member of the Board

Oluf Bergsvik (Sign.)
Chief Executive Officer

Soiltech AS

CASH FLOW STATEMENT 2021

PARENT COMPANY			GROUP	
2 021	2 020		2 021	2 020
		<i>Cash flow from operating activities</i>		
14 095 226	3 898 214	Profit before tax	14 275 222	3 897 926
0	0	Income taxes paid	0	-39 600
10 585 241	14 076 065	Ordinary depreciation/impairment fixed assets	10 585 241	14 076 065
-23 226 310	6 918 862	Change in debtors	-23 226 310	6 918 862
18 310 789	-2 766 296	Change in trade creditors	19 775 909	-3 355 952
-5 547 932	611 933	Change in other current balance sheet items	-9 239 485	1 070 056
<u>14 217 014</u>	<u>22 738 777</u>	Net cash flow from operating activities	<u>12 170 577</u>	<u>22 567 356</u>
		<i>Cash flow from investing activities</i>		
-37 776 630	-24 080 964	Purchase of property, plant and equipment	-37 776 630	-24 080 964
0	77 049	Payments receivable group	0	77 049
<u>-37 776 630</u>	<u>-24 003 915</u>	Net cash flow from investing activities	<u>-37 776 630</u>	<u>-24 003 915</u>
		<i>Cash flow from financing activities</i>		
30 350 000	20 550 000	Issue of long-term debt	30 350 000	20 550 000
8 207 870	0	Net proceed from issue of shares	8 207 870	0
-14 415 762	-10 437 448	Repayment of long-term debt	-14 415 762	-10 437 448
<u>24 142 108</u>	<u>10 112 552</u>	Net cash flow from financing activities	<u>24 142 108</u>	<u>10 112 552</u>
<u>582 492</u>	<u>8 847 414</u>	NET CASH FLOW FOR THE PERIOD	<u>-1 463 945</u>	<u>8 675 993</u>
<u>35 954 315</u>	<u>27 106 900</u>	Cash and cash equivalent 01.01	<u>40 696 154</u>	<u>32 020 160</u>
<u><u>36 536 807</u></u>	<u><u>35 954 315</u></u>	Cash and Cash equivalents 31.12	<u><u>39 232 210</u></u>	<u><u>40 696 154</u></u>

Notes to the accounts 2021

Soiltech AS

Accounting principles

The annual accounts have been made in accordance with the Norwegian Accounting Law and good accounting practice.

Revenue

Revenue related to sale of goods and services is booked at the time of delivery.

The share of sales revenues that relate to future services is capitalized as unearned income from the sale and is then recognized as income in line with the delivery of the service.

Classification and estimation of balance sheet items

Current assets and short term debt include items related to the flow of goods. Items other than trade receivables includes receivables which are due for payment within one year from transaction date. Fixed assets are assets which are designated for long-term ownership and use. Long-term liabilities are liabilities that fall due more than one year from the transaction date.

Current assets are valued at the lowest of historical cost and fair value. Short-term debt is valued at nominal value of the time of incurrance.

Assets are valued at historical cost. Fixed assets are depreciated according to a reasonable depreciation schedule. Assets are written down to real value if the reduction in value is not regarded as temporary. Write-downs are reversed when the basis for the write-down no longer exists.

Direct maintenance of fixed assets is expensed on an ongoing basis under operating costs, while costs or improvements are added to the fixed asset`s cost price and depreciated in line with the fixed asset.

Long-term debt except for other provisions are valued at the nominal amount of the time of incurrance.

Receivables

Trade debtors and other receivables are reconized at the balance sheet day based on booked value less provision for estimated loss. Any provision for loss is based on individual estimates and evaluation of the respective receivable. In addition, an unspecified provision is made for other receivables in order to cover estimated losses.

Tax

The tax cost in the income statement includes both the payable tax and the change in deferred tax. Deferred tax is estimated based on a tax rate of 22 % based on the temporary differences that exist between accounting and tax based values, as well as the tax based deferred tax as at the end of the accounting year. Tax increasing and tax reducing temporary differences which are reversed or may be reversed during the same period are netted and the tax effect has been estimated on the net tax basis.

Currency

Monetary items in foreign currency are valued at the market price of the currency after the exchange rate listing on the last day of the financial year.

Leasing

Operating assets acquired through financial leasing are capitalized and depreciated over their estimated economic life. The associated leasing obligation is capitalized as long-term debt, where payment is entered as interest expence and installments on leasing debt. Operating assets acquired through operational leasing are expensed as leasing costs directly in the income statement.

Research and development

Internal cost related to research and development are recognixed in the income statement.

Notes to the accounts 2021

Soiltech AS

Consolidation

The consolidated financial statements include Soiltech Offshore Services AS, where the company has a controlling influence. Controlling influence is normally achieved when the group owns more than 50% of the shares in the company, and the group is able to exercise actual control over the company. Transactions and balances between the companies in the group. Transactions and balances between the companies in the group have been eliminated. The consolidated financial statements have been prepared in accordance with uniform principles, in that the subsidiary follows the same principles as the parent company. In the consolidated financial statements, the item shares in subsidiaries is replaced by the subsidiary's assets and liabilities, and any identified surplus values on acquired companies. The consolidated financial statements are prepared as if the group were an economic entity.

Subsidiary

The subsidiary is assessed according to the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless write-down has been necessary. Dividends, group contributions and other distributions from subsidiaries are recognized as income in the same year as they are allocated in the donor's account.

The cash flow analysis

The cash flow analysis has been prepared according to the indirect method.

(all figures in NOK)

Note 1 – Operating revenues

The group:

Operating revenues by business area	2021	2020
Revenue	136 545 135	81 115 475
Other sales revenue	101 207	456 006
Total sales income	136 646 342	81 571 481

Operating revenues by geographical area	2021	2020
Norway	118 945 493	73 096 171
Internationally*	17 700 849	8 475 310
Total operating income	136 646 342	81 571 481

*The amount internationally includes income in Abu Dhabi, Great Britain and Netherland

Note 2 - Salaries

The group

	2021	2020
Salaries	50 117 277	34 824 428
Employer benefit cost	8 848 662	4 516 873
Pension cost	1 835 190	1 480 944
Other benefit/refund	1 409 232	809 625
Total	62 210 361	41 631 870

More about salary

Hired personnel under salary amount to NOK 1 664 174

The parent company

	2021	2020
Salaries	15 242 316	13 348 094
Employer benefit cost	3 716 691	1 511 738
Pension cost	545 930	506 746
Other benefits/ refund	597 376	316 176
Total	20 102 313	15 682 754

Notes to the accounts 2021

Soiltech AS

Note 3 – Number of man-years

The company has had 11 man-years employed in the financial year in the company accounts and 67 man -years employed in the group.

Note 4 – Mandatory pension scheme

The company has established a mandatory pension scheme in accordance with law.

Note 5 – Options to employees

The company has a long-term share-based incentive plan for key personnel and board members. Under the scheme, options for employees in the Income Year 2021 have been accounted for in accordance with IFRS 2 share-based payment.

In previous years, the company has not expensed anything associated with options as it came under the exemption ruling for small enterprises. In accordance with IFRS 8 in the event of a transition from small enterprises to other enterprises, the company has not incorporated historical IFRS 2 effects.

The subscription price for the shares is set at the market price at the time of allocation. The options have a vesting period of 1-3 years (33% after year 1, 33% after year 2 and 33% after year 3). All outstanding options must be exercised by 2026. The option program assumes that the option holder is employed by the company when the option is exercised. The total number of outstanding options per 31.12.2021 is 829,700. Option cost in the P&L for 2021 related to salary is 3 MNOK.

Outstanding options	Nr. of options 01.01.2021	Strike (NOK per stock)	Vesting period	Exercised in 2021	Granted options in 2021	Nr. of options 31.12.2021
Options to employees	733 470	11-13	2012-2021	-551 210		182 260
Options to employees	120 000	35,00	2017-2021			120 000
Options to employees	343 870	35,00	2021-2024	-51 430	75 000	367 440
Options to employees	0	45,00	2021-2024		160 000	160 000
Total	1 197 340			-602 640	235 000	829 700

The valuation of the options at fair value uses the Black-Scholes option pricing model. The following assumptions are made.

	2021 program
Risk free interest rate	1,66 %
Historical volatility	10 %
Expected life of the option (year)	0-2,88
Stock price	65

Note 6 – Remuneration to senior personell and officers

	Salary	Other benefits
Salary Ceo	1 864 017	161 210
Senior personell and officer	Salary	Other benefits
Board (excl. Chairman of the board)	180 000	0
Executive Chairman of the board	1 878 851	160 931
Total performance to other senior executives	2 058 851	160 931

There have not been any remuneration to the general manager and the Board in the subsidiary.

Notes to the accounts 2021

Soiltech AS

Note 7 – Audit and related services

The Group

Audit fee	133 100	119 100
Other services	31 000	24 600
Total remuneration to the auditor	164 100	143 700

The parent company	2021	2020
Audit fee	109 000	97 100
Other services	21 000	15 000
Total remuneration to the auditor	130 000	112 100

Note 8 – Investment in subsidiary

Company name	Place of office	Ownership	Equity as of 31.12.2021	Net result for 2021
Soiltech Offshore Services	Sandnes	100%	1 065 169	140 397

The following internal transactions have taken place with and between subsidiaries in 2021:

Specification internal transactions	Amount
Short-term receivables from group companies	771 716
Purchase of goods and services from Soiltech Offshore Services AS	49 547 703

Soiltech AS prepares consolidated financial statements in which Soiltech Offshore Services AS is included in the consolidation.

Note 9 – Sharecapital and shareholders

Share class	Number of shares	Nominal value per share	Share capital
Ordinary shares	7 200 430	0,10	720 043
Total	7 200 430		720 043

Shareholder	Number of shares	Ownership	Share class
Wintershall DEA Technology Ventures GmbH	1 067 820	14,83%	Ordinary shares
Hildr AS by CEO	847 430	11,77%	Ordinary shares
Wellex AS by Glenn Åsland	847 430	11,77%	Ordinary shares
Knatten I A by Chairman of the board	817 200	11,35%	Ordinary shares
Tveteraas Invest AS	521 710	7,25%	Ordinary shares
Skandinaviska Enskilda Banken AB	520 790	7,23%	Ordinary shares
Parra AS	428 280	5,95%	Ordinary shares
Pima AS by Eirik Flatebø	201 830	2,80%	Ordinary shares
Havnebase Eiendom AS	158 470	2,20%	Ordinary shares
Skandinaviska Enskilda Banken AB	150 370	2,09%	Ordinary shares
Other shareholders	1 639 100	22,76%	Ordinary shares
Total number of shares	7 200 430	100,00%	

Included in Other shareholders are 75 000 shares owned by Hans Hvide & Co AS which is owned by board member Robert Hvide Macleod

Other shareinformation

The foreign share of total shares is 31,06%

Notes to the accounts 2021

Soiltech AS

Note 10 – Specification of fixed and immaterial assets

Parent company/Group

	Machinery and plant mortgaged	Tangible fixed assets	Total
Cost price 01.01.2021	25 303 720	104 028 906	129 332 626
Purchase during the year	125 252	37 526 126	37 651 378
Sale during the year	0	(2 609 919)	(2 609 919)
Cost price 31.12.2021	25 428 972	138 945 113	164 374 085
Accumulated dept. 31.12.2021	(2 765 580)	(35 563 679)	(38 329 259)
Accumulated write-downs 31.12.2021	0	(3 568 473)	(3 568 473)
Balance sheet value pr. 31.12.2021	22 663 392	99 812 961	122 476 353
Depreciation	(1 748 164)	(10 042 438)	(11 790 602)
This year`s reversal of write-downs			1 205 361
Economical life time	0 - 12 år	0 - 12 år	
Depreciation plan:	0 - 20 %	0 - 33,33 %	

This year`s reversal of write-downs is gross.

Total fixed assets include leased fixed assets of NOK 27 104 588. Included in total depreciation of fixed assets is depreciation og leased fixed assets of NOK 1 131 454

The Company has patent rights with a book value of NOK 460 573 per 31.12.2021.

Note 11 – Tax

The group

	2021	2020
Profit before tax	14 275 222	3 897 926
Group contribution	0	0
+/- Permanent differences	1 224 674	(30 299)
+/- Change in temporary differences	(4 733 917)	(3 655 866)
- Carry-forward deficit	(6 534 377)	(392 248)
The tax base	4 231 602	0
Tax income for the company based on 22%	930 952	0
Sum	930 952	0
+/- Changes in deferred taxes	2 456 759	790 264
Tax expence in the income statement	3 387 711	790 264
Tax payable in taxes	930 952	0
Tax payable in the balance sheet	930 952	0

Notes to the accounts 2021

Soiltech AS

The parent company

	2021	2020
Profit before tax	14 095 226	3 898 213
Group contribution	0	180 200
+/- Permanent differences	1 224 674	(30 299)
+/- Change in temporary differences	(4 733 917)	(3 655 866)
- Carry-forward deficit	(6 534 377)	(392 248)
The tax base	4 051 606	0
Tax income for the company based on 22%	891 353	0
Sum	891 353	0
+/- Changes in deferred taxes	2 456 759	790 264
Tax expense in the income statement	3 348 112	790 264
Tax payable in taxes	891 353	0
Tax payable in the balance sheet	891 353	0

Note 12 – Deferred tax

The parent company and the consolidated financial statement is the same.

Deferred tax (payable/receivable) is included in the balance sheet based on the temporary differences between accounting and tax based values in accordance to the Norwegian accounting standard for tax. Temporary tax increasing and tax reducing differences have been netted when possible.

	01.01.2021	31.12.2021	Endring
Temporary differences related to:			
Fixed assets	33 308 757	53 868 585	(20 559 828)
Current assets	0	(500 000)	500 000
Long-term liabilities	(10 487 913)	(23 065 031)	12 577 118
Current liabilities	(1 012 153)	(3 760 946)	2 748 793
Deferred tax loss	(6 534 377)	0	(6 534 377)
Net difference	15 274 314	26 542 608	(11 268 294)
Tax reducing differences which may not be netted	1 012 153	910 946	101 207
Total temporary differences	16 286 467	27 453 554	(11 167 087)
Deferred tax advantage 31.12.21. based on 22%	3 583 023	6 039 782	(2 456 759)

Notes to the accounts 2021

Soiltech AS

Note 13 – Trade debtors

Trade debtors are valued at face value, reduced by expected loss. During 2021, no losses related to trade debtors were incurred.

The parent company /the group	2021	2020
Trade debtors at face value	34 821 539	11 095 229
Provision for loss on receivables	(500 000)	0
Net trade debtors	34 321 539	11 095 229

Accounts receivable from the subsidiary are entirely against the parent company.

The group	2021	2020
Long-term receivables	293 891	315 263
Other current receivables	16 059 204	3 154 348
Net long-term and current receivables	16 353 095	3 469 611

The parent company	2021	2020
Long-term receivables	293 891	315 263
Other current receivables	15 658 752	2 896 770
Net long-term and current receivables	15 952 643	3 212 033

Other current receivables mainly consist of 6 MNOK related to credit VAT and 8 MNOK related to prepayment of new equipment.

Note 14 – Bank deposits

The group

Bank deposits includes restricted withholding tax related to salaries of NOK 2 762 290. Payable withholding tax related to salaries amounted to NOK 2 749 660.

The parent company

Bank deposits includes restricted withholding tax related to salaries of NOK 661 699. Payable withholding tax related to salaries amounted to NOK 661 699.

Note 15 – Equity

The group

	Share capital	Share premium reserve	Other equity	Total
Equity 01.01.2021	659 779	60 765 999	31 597 116	93 022 894
Increase in share capital/ share price	60 264	8 147 606	0	8 207 870
Other equity - option program	0	0	0	1 131 193
Profit of the year	0	0	10 887 511	10 887 511
Equity 31.12.2021	720 043	68 913 605	42 484 627	113 249 469

Notes to the accounts 2021

Soiltech AS

The parent company

	Share capital	Share premium reserve	Other equity	Total
Equity 01.01.2021	659 779	60 765 999	31 460 345	92 886 123
Increase in share capital/Share price	60 264	8 147 606	0	8 207 870
Other equity - option program	0	0	0	1 131 193
Profit of the year	0	0	10 747 114	10 747 114
Equity 31.12.2021	720 043	68 913 605	42 207 460	112 972 300

Note 16 – Mortgage and guarantees

Specification	2021	2020
Debt to shareholder	55 000	206 700
Debt to financial institutions	28 217 954	20 550 000
Debt to Innovasjon Norge	9 041 666	11 625 000
Other long-term debt (incl. financial leasing)	19 264 499	8 414 882
Total	56 579 120	40 796 582

Balance value of assets mortgaged for debt	99 812 961	70 998 659
Balance value of machinery and plant mortgaged for dept	22 663 391	24 286 303
Balance value of trade receivables mortgaged for debt	34 321 539	11 095 229
Total	156 797 891	106 380 191

Of the long-term debt of NOK 56 579 120, NOK 0 is due in more than 5 years.

Overview of future minimum rental payments on leased fixed assets

Within 1 year	7 271 218
1 to 5 year	11 993 281
After 5 year	0
Future minimum rental payments on leased fixed assets	19 264 499

Note 17 – Loans and collateral for senior executives

The company has not provided loans or collateral to members of governing bodies.

To shareholders of Soiltech AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Soiltech AS which shows a profit for the company of NOK 10 747 114 and a profit for the group of NOK 10 887 511 and which comprise:

- The financial statements of the company, which comprise the balance sheet as at December 31, 2021, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at December 31, 2021, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements comply with applicable statutory requirements,
- The financial statements give a true and fair view of the financial position of the company as at December 31, 2021, and (of) its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- The financial statements give a true and fair view of the financial position of the group as at December 31, 2021, and (of) its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by laws and regulations 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

The Board of Directors and the Managing Director (management) is responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

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

Responsibilities of the management for the Financial Statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's and the Groups' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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 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 or 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 or 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 those charged with governance 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.

Tau, March 17th 2022

Anita Bygdevoll

State Authorized Public Accountant

(Translation has been made for information purposes only)