

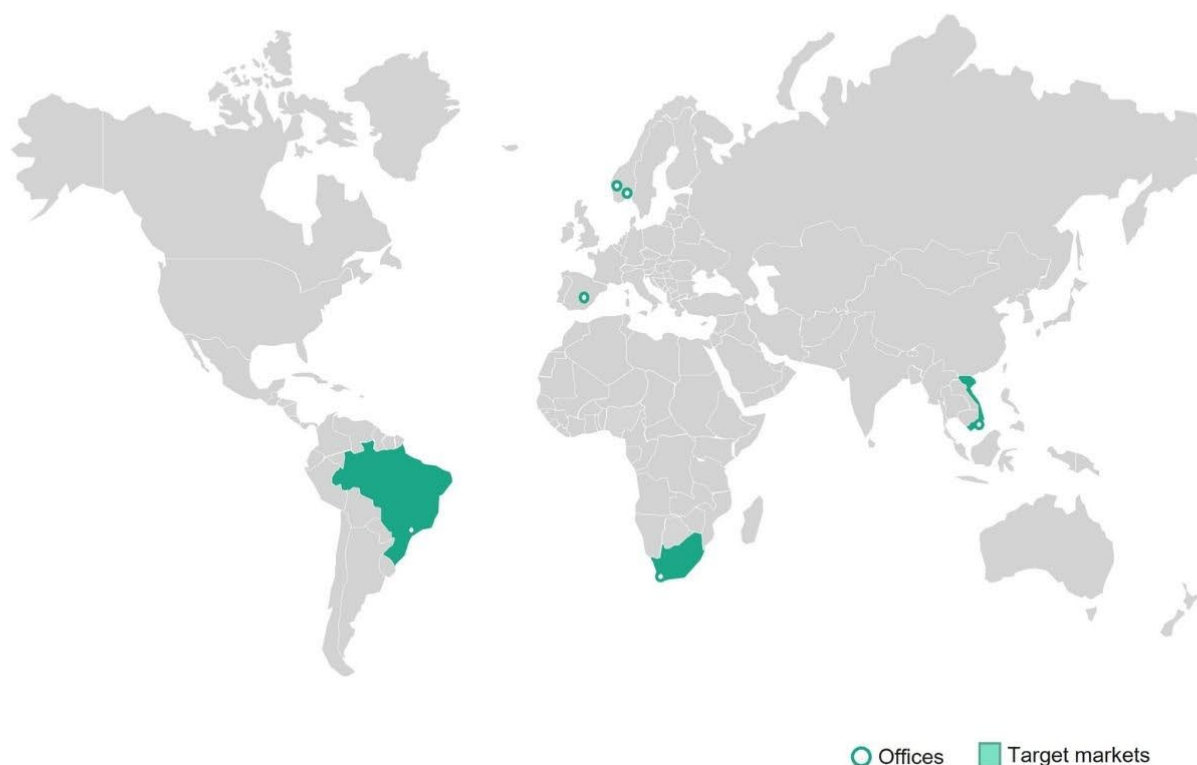


# **Q4 Financial Report 2022**



Norsk Solar delivers the power to build a better world. We provide solar energy as a service to corporate and industrial entities in high-growth markets, providing cost-efficient, clean power to drive sustainable growth and reduce emissions.

Norsk Solar handles the development, financing, construction, operations and asset management of customers' on-site power plants. Customers can lock in low electricity prices and be assured long-term access to reliable, clean power. Choosing solar not only helps corporate energy buyers meet their sustainability targets, it makes good business sense.



Norsk Solar is a fast-growing independent solar power producer with over 100 MW in operation, construction and ready-to-build projects. Our ambition is to be the go-to renewable energy partner for commercial and industrial (C&I) entities in high-growth markets.

Established in 2017 in Stavanger, Norway, Norsk Solar currently has approximately 40 employees located in Norway, Spain, South Africa, Vietnam and Brazil. Norsk Solar AS is listed on the Euronext Growth Oslo stock exchange under the ticker NSOL.

# Markets

## — Norsk Solar Group Q4 Financial Report

### **Vietnam: stable operation**

In Q4 2022 our projects in Vietnam produced 2 520 MWh, 803 MWh less than Q3 2022. Production was in accordance with seasonal irradiance expectations, supported by well-functioning O&M activities.

A Power Purchasing Agreement (PPA) was signed with corporate offtaker Linage Logistics for a three-site project with a capacity of 1.8 MW. Due diligence is being finalized, and an investment decision is expected in Q2 2023.

Norsk Solar continues to experience strong demand in Vietnam and is in negotiation and tender processes with multiple international manufacturers.

### **Brazil: construction on route**

During Q4 2022, the construction of the 18 MW solar portfolio for Órigo Energia followed its schedule, and the financing was secured through late January, please see subsequent events for more information.

To handle project- management and development, the company continued to hire additional resources in Brazil during Q4 2022.

### **South Africa: developing opportunities**

The continuous acute energy crisis in South Africa has led to major government incentives for private energy developers.

The “wheeling” model offers the potential to increase Norsk Solar’s footprint in South Africa and we are exploring several opportunities that would have a significant impact on total production if realized.

### **Ukraine: improvement of receivables**

The Semypolky solar plant in Ukraine produced 817 MWh during Q4 2022 compared to 1 297 MWh in Q4 2021. While no damage is done to the plant, there are curtailments to both production and revenue. Cash flow is continuously impacted by reduced rates during the period of war, but the company has received 55 % of the invoiced amount from the offtaker. This led to an adjustment of the provision, positively impacting the accounts. The carrying amount of the trade receivables and long-term receivables are zero after adjusted provisions.

### **Pakistan**

The Gharo plant in Pakistan, where Norsk Solar owns 10%, generated 24 140 MWh during Q4 2022.

### **Other markets**

Norsk Solar’s corporate strategy includes exploring potential opportunities in high-growth markets according to set criteria for market demand, size, supportive legislative frameworks and current energy mix. We are currently evaluating opportunities in Hungary and do not rule out future expansion into other high-growth markets.

***Norsk Solar’s ownership in solar PV plants have produced 16 271 MWh in renewable energy year to date, offsetting 9 464 tons of CO2 equivalent.***

# Message from the CEO

— Norsk Solar Q4 Financial Report

Dear shareholders,

During the fourth quarter Norsk Solar reached an important milestone, breaking ground on our first solar plants in Brazil. The plants have a production capacity of 18 MWp and will generate 25 years of recurring revenue from the solid corporate offtaker Origo Energia.

Strengthening financing partnerships and executing on our project finance strategy were in focus during Q4. We negotiated a 15-year green bond from asset manager Valora Investimentos in Brazil, which was signed in January. We have also secured a NOK 100 million credit facility from Sparebank 1 SR-Bank that will ensure we deliver the Origo projects according to an ambitious timeline.



Finally, we also secured additional NOK 20 million from NORAD in lump sum risk premium grants for our upcoming Vietnam investments, resulting in a total of NOK 40 million grants from NORAD in 2022.

Each of these achievements indicate the strength of our project financing strategy and the attractiveness of Norsk Solar projects as climate infrastructure investments and grants.

## Strategy and Vision toward 2028

We ended the year with a revitalized corporate strategy based on a clear vision, to replace 100% of customers' energy consumption with renewable power. We are setting our course in that direction by expanding our commercial offering, starting with battery storage solutions in several new project proposals.

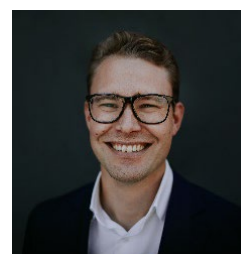
Entering 2023 we have a highly motivated team aligned on strategy and prepared to scale. Our growing track record and strong financing partnerships will help us secure the quality C&I opportunities maturing in the pipeline and increase revenue.

While we have met challenges along the way, I am proud of our continued progress and confident in the long-term value we will provide shareholders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Øyvind L. Vesterdal'.

Øyvind L. Vesterdal  
CEO



# Financial summary Q4 2022

## – Norsk Solar Q4 Financial Report

### Consolidated statement of profit & loss

Group profit in Q4 was negative NOK 19.1 million. The decrease of NOK 4.1 million compared to the same period in 2021 was mainly caused by increased operational costs due to organizational growth and unrealized currency loss, offset by lower depreciation and other operating expenses. EBITDA for the quarter was negative NOK 10.8 million, compared to an EBITDA of negative NOK 14.0 million during the same period last year.

Year to date, the Group has incurred a loss of NOK 66.8 million, compared to a loss of NOK 34.3 million for the same period in 2021. This is mainly due to (1) the recognized impairments and credit loss provision related to Ukraine accumulated to NOK 21.5 million, (2) increased operating expenses due to organizational growth and (3) deconsolidation effect from the Vietnam project, being reflected in income from associated from August. EBITDA ended at a negative NOK 43.3 million year to date compared to negative NOK 28.1 million for the same period last year. Adjusted EBITDA YTD without one-offs related to Ukraine is negative NOK 30.5 million.

### Revenue

Revenue decreased by NOK 5.6 million for the quarter compared to the same period last year, explained by the deviation of lower production resulting in NOK 1.0 million lower revenue from Ukraine offset by received grant from Innovation Norway of NOK 0.7 million. Ongoing curtailment at

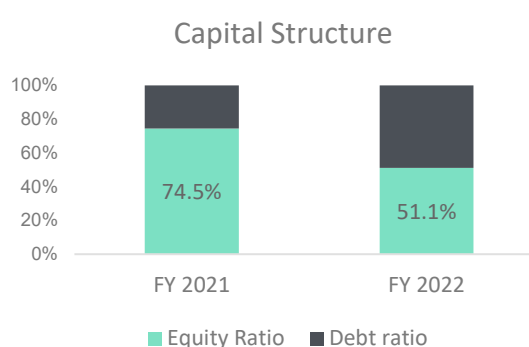
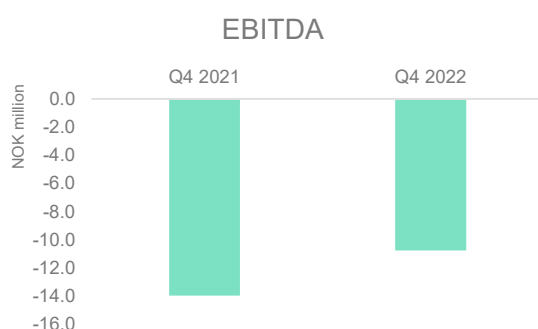
the Semypolky plant due to the war in Ukraine has continued to affect production negatively. In addition, the sales transaction related to the modules and inverters through Norsk Solar AS and Nordic Impact Cooperation AS booked as gross revenue in Q3, is in Q4 treated as net value, since Norsk Solar AS had limited risk in the transaction (note 5). Hence, the revenue is reduced with NOK 5.3 million. Proceeds from the Vietnam project is reflected in income from associates (note 4).

### Operating expenses

Cost of goods decreased by NOK 10.2 million for the quarter compared to the same period last year, due to the adjustment of 5.6 million as explained above (note 5). Salaries increased with NOK 2.0 million as the organization has increased both on HQ and country unit level but was offset by grant from NORAD of NOK 1.4 million for development in South Africa. Depreciation and other operating expenses are reduced compared to same quarter last year, as the Central Retail project is not consolidated in Q4 2022.

### Financial items

Financial income decreased by NOK 3.9 million in Q4 2022 compared to the same period last year, mainly due to negative result from associated companies (see note 4) which is mainly explained by negative currency effect in NIC Group. Financial expense increased by NOK 5.0 million, driven by forex loss.



# Consolidated statement of financial position

– Norsk Solar Q4 Financial Report

## Fixed assets

Reduction of YTD fixed assets is driven by the recognized impairment of the Semypolky plant (Ukraine) in Q1 and the partial disposal of fixed assets in Vietnam and NIC (See note 4).

## Total current assets

Increase in trade receivables is due to the change of ownership and recognition of Norsk Solar Vietnam Co. Ltd as an associated company from July, including previous intercompany shareholder loans presented as external following the deconsolidation (see note 4). This effect is offset by the decrease of the trade and other receivables, following the recognition of credit loss provision (see note 8).

Cash and cash equivalents decreased due to strategic actions and development of the company.

## Total shareholder equity

Net equity is reduced by current year's loss, translation effects and transactions

with non-controlling interest mainly due to the transaction with Norfund that lead to deconsolidation of NIC and Vietnam.

## Total liabilities

Total liabilities increased with NOK 36.0 million, due to drawn of the NOK 38 million credit facility at Sparebank 1 SR-Bank but are offset by further down payment of debt.

## Subsequent events

Norsk Solar AS repaid NOK 38 million from the outstanding credit facility with SR Bank in early January 2023. SR-Bank and Norsk Solar AS replaced and signed on February 21st, 2023, a credit facility of NOK 100 million with a duration of two years, solely to be used to finance early-stage development and execution of projects in our pipeline.

On January 30th, Norsk Solar AS secured a green bond (“Certificado de Recebíveis Imobiliários”) through Valora Investimentos which will provide over 50,000,000 BRL (ca. 10,000,000 USD) in financing in the form of non-recourse project debt for Norsk Solar's 18 MW solar plant in Brazil.

# Condensed financial information

– Norsk Solar Q4 Financial Report

## Norsk Solar AS Consolidated financial statement Profit and loss statement

<i>NOK 1000</i>	Note	Q4 2022 Unaudited	Q4 2021 Unaudited	YTD 2022 Unaudited	FY 2021 Audited
Revenue	5	-4 472	1 679	10 594	13 514
Other operating income	5	660	80	3 143	80
<b>Total operating revenue</b>		<b>-3 812</b>	<b>1 759</b>	<b>13 737</b>	<b>13 593</b>
Cost of goods and services	5	-5 584	4 606	167	8 296
Salaries and adm. expenses		9 821	7 847	30 437	22 798
Depreciation and amortization	6	1 028	2 761	20 323	10 398
Other operating expenses	8	2 717	3 279	26 388	10 610
<b>Total operating expenses</b>		<b>7 983</b>	<b>18 494</b>	<b>77 315</b>	<b>52 102</b>
<b>Operating profit/(loss)</b>		<b>-11 795</b>	<b>-16 735</b>	<b>-63 578</b>	<b>-38 509</b>
Income from associates	3,4	-2 936	2 336	-2 335	2 748
Other interest received		1 110	703	1 516	708
Other financial income		2 664	1 710	15 062	6 803
<b>Financial income</b>		<b>837</b>	<b>4 748</b>	<b>14 242</b>	<b>10 259</b>
Other interest expenses		1 249	1 802	3 488	4 002
Other financial expenses		6 877	1 293	13 989	1 600
<b>Financial expense</b>		<b>8 126</b>	<b>3 094</b>	<b>17 477</b>	<b>5 601</b>
<b>Net financial expense</b>		<b>-7 289</b>	<b>1 654</b>	<b>-3 235</b>	<b>4 658</b>
<b>Profit/(loss) before taxation</b>		<b>-19 084</b>	<b>-15 081</b>	<b>-66 813</b>	<b>-33 851</b>
Income tax expense		133	0	138	436
<b>Profit/(loss) for the period</b>		<b>-19 217</b>	<b>-15 081</b>	<b>-66 951</b>	<b>-34 287</b>
Non-controlling interest		-5 195	-1 307	-14 521	410

# Consolidated balance sheet

– Norsk Solar Q4 Financial Report

## Norsk Solar AS Consolidated financial statement Balance sheet at December 31<sup>st</sup>

<i>NOK 1000</i>	Note	FY 2022 Unaudited	FY 2021 Audited
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	17 977	94 371
Intangible assets		280	386
Other investments	4	68 327	14 667
<b>Total non-current assets</b>		<b>86 584</b>	<b>109 424</b>
<b>Current assets</b>			
Inventories		150	179
Trade receivables	4,8	40 855	3 093
Other receivables	8	5 563	15 728
Cash and bank balances	11	44 436	86 801
<b>Total current assets</b>		<b>91 005</b>	<b>105 801</b>
<b>Total assets</b>		<b>177 588</b>	<b>215 225</b>



# Consolidated balance sheet

– Norsk Solar Q4 Financial Report

## Norsk Solar AS Consolidated financial statement Balance sheet at December 31<sup>st</sup>

<i>NOK 1000</i>	Note	FY 2022 Unaudited	FY 2021 Audited
<b>Shareholders equity and liabilities</b>			
<b>Capital and reserves</b>			
<b>Paid-in equity</b>			
Share capital	9	748	748
Share premium reserves	9	168 409	168 410
<b>Total paid-in capital</b>		<b>169 157</b>	<b>169 158</b>
<b>Retained earnings</b>			
Retained earnings	9	-78 365	-8 775
<b>Total retained earnings</b>		<b>-78 365</b>	<b>-8 775</b>
<b>Equity attributable to owners of the parent company</b>		<b>91 934</b>	<b>135 793</b>
<b>Non-controlling interests</b>		<b>-1 142</b>	<b>24 589</b>
<b>Total shareholders equity</b>		<b>90 792</b>	<b>160 383</b>
<b>Non-current liabilities</b>			
Non-current liabilities	7	32 560	35 999
<b>Total non-current liabilities</b>		<b>32 560</b>	<b>35 999</b>
<b>Current liabilities</b>			
Debt to financial institutions	7	43 175	4 828
Trade liabilities		2 988	8 654
Social security, VAT and similar public debt		5 204	1 702
Tax payable		14	3
Other current liabilities		2 856	3 657
<b>Total current liabilities</b>		<b>54 236</b>	<b>18 844</b>
<b>Total liabilities</b>		<b>86 796</b>	<b>54 843</b>
<b>Total shareholders equity and liabilities</b>		<b>177 588</b>	<b>215 225</b>

# Consolidated cash flow statement

– Norsk Solar Q4 Financial Report

## Norsk Solar AS Consolidated statement of cash flows

<i>NOK 1000</i>	Note	Q4 2022 Unaudited	FY 2021 Audited
<b>Cash flows from operating activities:</b>			
<b>Net profit (- loss) for the period</b>		<b>-66 813</b>	<b>-34 287</b>
Adjustments for:			
Depreciation, amortisation and impairment charges	4	20 323	10 398
Income from associates	4	2 335	0
Change in inventories		29	3 300
Change in trade and other receivables	4,8	-24 082	-7 676
Change in trade and other payables		-2 165	7 152
Change in accrued expenses, other current liabilities and currency		-2 949	1 949
<b>Cash from operating activities</b>		<b>-73 322</b>	<b>-19 164</b>
Taxes paid		3	198
<b>Net cash from operating activities</b>		<b>-73 319</b>	<b>-18 966</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payments for purchase of property, plant and equipment	6	-10 919	-50 262
Payments for purchase of shares		-325	0
Dividend and interest received from associates		1 246	0
Cash from long-term receivables		-653	0
Cash out due to deconsolidation of NIC Group	4	-2 538	0
<b>Net cash from investing activities</b>		<b>-13 188</b>	<b>-50 262</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Dividend			
Capital increase		0	131 128
Cash from transaction with non-controlling interests		9 235	6 547
Proceeds from short term loans	7	38 000	0
Repayment of long-term loans	7	-3 092	-8 678
<b>Net cash from financing activities</b>		<b>44 143</b>	<b>128 997</b>
Net change in cash and cash equivalents		-42 364	59 769
Cash and cash equivalents at beginning of the year		86 801	27 032
<b>Cash and cash equivalents at end of year</b>	11	<b>44 436</b>	<b>86 801</b>

## Notes to the consolidated financial statements

### Note 1 – Corporate information

Norsk Solar AS was founded in 2017 and is incorporated and domiciled in Norway. The address of its registered office is Haakon VII's gate 8, NO-4005 Stavanger, Norway.

Norsk Solar AS ("the Company"), its subsidiaries and investments in associated companies ("the Group"), develops solar power plants with a long-term build-own-operate ("BOO") strategy for utility-scale and corporate off-takers in emerging markets.

The Company is listed on the stock exchange Euronext Growth in Oslo under the ticker "NSOL".

The consolidated financial statements for Q4 2022 were authorised for issue in accordance with a resolution by the Board of Directors on 21 March 2023.

### Note 2 – Accounting principles

These condensed interim consolidated financial statements are prepared in accordance with recognition and measurement principles consistent with Norwegian Accounting Act and generally accepted accounting principles in Norway. These condensed interim consolidated financial statements are unaudited. They are condensed and do not include all information and notes required by the Norwegian Accounting Act and generally accepted accounting principles in Norway for a complete set of consolidated financial statements.

The presentation currency of the Group is Norwegian kroner (NOK).

These condensed interim consolidated financials should be read in conjunction with the annual consolidated financial statements for 2021.

### Note 3 – List of subsidiaries

The following subsidiaries are included in the consolidated financial statement:

Subsidiary	Country of incorporation	Dec 31,2022 Interest/voting power	Dec 31,2021 Interest/voting power
Norsk Solar Nicaragua	Nicaragua	99,00%	99,00 %
Semypolky Solar Ltd	UK	64,29%	64,29 %
Semypolky Solar LLC	Ukraine	45,00%	45,00 %
Semypolky Solar 2 LLC	Ukraine	45,00%	45,00 %
Norsk Solar Brasil Ltda.	Brazil	100,00%	100,00 %
Norsk Solar Ukraine LLC	Ukraine	100,00%	100,00 %
Norsk Solar South Africa (PYT) Ltd.	South Africa	100,00%	0,00 %

Interest/voting power in indirectly held subsidiaries are shown with interest/voting power adjusted for ownership percentage via subsidiary.

The process of liquidating Norsk Solar Ukraine LLC and Norsk Solar Nicaragua is still under progress.

## Note 4 – Interest in associated companies

The consolidated financial statements include the Group's share of profit/loss from joint ventures and associated companies where the Group has joint control or significant influence, accounted for using the equity method. Under the equity method, the investment is initially recognised at cost and subsequently adjusted for further investments, distributions and the Group's share of the net income from the investment.

In July 2022 Norfund joined Norsk Solar AS and Finnfund as equity partner in Nordic Impact Cooperation AS ("NIC"). Earlier in 2022 Norfund purchased 35 % of the shares in Norsk Solar Vietnam Ltd. As a part of the agreement, these shares were transferred to NIC making NIC a 100% owner of Norsk Solar Vietnam Ltd and its subsidiary Norsk Solar Vietnam Co. Ltd. The agreement with Norfund reduced Norsk Solar's ownership in NIC from 50.67 % to 33.92 % and thus made NIC an associated company. Following the deconsolidation, the NIC Group is recognized in the financial statement in accordance with the equity method. At the time of deconsolidation, a loss of NOK 2.65 million was recognized and the remaining ownership share was recognized at the Group's carrying amount (share of net consolidated assets).

Associated company	Country of incorporation	Dec 31,2022 Interest/voting power	Dec 31,2021 Interest/voting power
Nordic Impact Cooperation AS *	Norway	33.92 %	50.67%

Associated company, YTD 2022 (NOK 1000), 100%	Revenue	EBIT	Net profit	Total Assets	Total Equity
Nordic Impact Cooperation AS (group) *	5 128	-1 610	-3 157	212 613	107 337

\* NIC Group consists of Nordic Impact Cooperation AS, and its wholly owned subsidiaries Norsk Solar Vietnam Ltd. (UK) and Norsk Solar Vietnam Co. Ltd (Vietnam).

## Note 5 – Revenue

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major areas of operations.

NOK 1000

Per area of operation:	Q4 2022	Q4 2021	YTD 2022	FY2021
Solar Energy	683	1 679	12 479	13 140
Government grant	660	0	660	0
Other	-5 155	80	598	454
<b>Total</b>	<b>-3 812</b>	<b>1 759</b>	<b>13 737</b>	<b>13 593</b>

Per geographic market:	Q4 2022	Q4 2021	YTD 2022	FY2021
Norway	-4 495	80	1 258	454
Europe	683	1 679	9 996	13 140
Asia	0	0	2 483	0
<b>Total</b>	<b>-3 812</b>	<b>1 759</b>	<b>13 737</b>	<b>13 593</b>

In Q3, Norsk Solar recognized NOK 5.3 million in gross revenue and cost related to the sale of solar PV modules to Nordic Impact Cooperation AS for the construction of the Brazil 18 MW project. The Nordic Impact Corporation AS sold the modules to a subcontractor outside the Group. The modules were produced by an external vendor and shipped directly to the subcontractor.

In Q4 the Group concluded that neither Norsk Solar AS or Nordic Impact Cooperation AS had control, or risk of loss or damage related to the modules and hence are considered as agents in the transactions. Consequently, NOK 5.3 million recognized as revenue and cost in Q3 were presented on a net basis in Q4, reducing revenue and the related costs compared to Q3. There was no impact on net profit from this change in presentation.

## Note 6 – Property, plant and equipment

<i>NOK 1000</i>	Land	Solar energy site	Asset under construction	Fittings and fixtures	Total
<b>Acquisition cost</b>					
<b>Acquisition cost as at January 1, 2020</b>	<b>5 182</b>	<b>53 002</b>	<b>0</b>	<b>98</b>	<b>58 283</b>
Additions from business combinations in the year	0	0	0	0	0
Additions purchased property, plant and equipment	0	0	50 112	151	50 262
Transferred	0	0	0	0	0
Disposals	0	0	0	0	0
Net foreign currency exchange differences	0	-2 687	0	0	-2 687
<b>Acquisition cost as at December 31, 2020</b>	<b>391</b>	<b>4 217</b>	<b>0</b>	<b>21</b>	<b>4 629</b>
Additions from business combinations in the year	5 573	54 532	50 112	269	110 486
Additions purchased property, plant and equipment	0	0	0	0	0
Transferred	0	6 710	3 642	373	10 726
Disposals	0	58 693	-59 196	503	0
Change in accounting principle Semypolky LLC	0	-65 403	0	-741	-66 144
Net foreign currency exchange differences	-900	-6 850	5 442	84	-2 224
<b>Acquisition cost as at December 31, 2021</b>	<b>4 673</b>	<b>47 682</b>	<b>0</b>	<b>489</b>	<b>52 844</b>
<b>Accumulated amortisation</b>					
<b>Accumulated amortisation as at January 1, 2020</b>	<b>0</b>	<b>5 716</b>	<b>0</b>	<b>2</b>	<b>5 718</b>
Depreciation expense from continued operations in the year	0	10 264	0	133	10 397
Disposal in the year	0	0	0	0	0
Impairment loss	0	0	0	0	0
Net foreign currency exchange differences	0	0	0	0	0
<b>Accumulated amortisation as at December 31, 2020</b>	<b>0</b>	<b>15 980</b>	<b>0</b>	<b>135</b>	<b>16 115</b>
Depreciation expense from continued operations in the year	0	10 660	0	170	10 830
Disposal in the year	0	-1 542	0	-29	-1 571
Impairment loss	0	9 492	0	0	9 492
Net foreign currency exchange differences	0	0	0	0	0
<b>Accumulated amortisation as at December 31, 2021</b>	<b>0</b>	<b>34 590</b>	<b>0</b>	<b>277</b>	<b>34 867</b>
<b>Net carrying amount as at December 31, 2020</b>	<b>5 573</b>	<b>38 552</b>	<b>50 112</b>	<b>134</b>	<b>94 371</b>
<b>Net carrying amount as at December 31, 2021</b>	<b>4 673</b>	<b>13 092</b>	<b>0</b>	<b>212</b>	<b>17 977</b>
Estimated useful life		15 years		2-5 years	

All property, plant and equipment are depreciated over their estimated useful life on a straight-line basis

## Note 7 – Financing

As of December 31st, 2022, the revolving credit facility at Sparebank 1 SR-Bank was classified as a current liability with the amount of NOK 38 million. The loan was drawn in August 2022 and has been repaid January 4th, 2023.

Non-current liabilities consist of non-recourse financing from NEFCO in connection with the construction of the solar plant in Semypolky, Ukraine. The maturity date for the non-recourse financing is December 2029.

The Group is in compliance with its loan agreement for the non-recourse financing for Ukraine at the end of the quarter. We maintain a close dialogue with NEFCO, the lender in the project.

## Note 8 – Impairment

The Group assesses property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The recoverable amount is the higher of the assets fair value less sales cost and its value in use. Impairment indications were identified for Norsk Solar's 8.9 MW solar plant in Semypolky, Ukraine due to the Russian invasion on February 24th, 2022, and we recognized an impairment of NOK 9.5 million. The situation in Ukraine per the end of Q4 still remains very challenging and the outcome of the situation and the impact on the asset remains highly uncertain. The plant is still fully operating, and we cannot see any factors which have altered our impairment test done in Q1 2022.

During Q4 2022 the Group has considered the Trade Receivables related to the offtaker of the solar plant in Semypolky. During the financial year 2022 the Ukrainian off-taker paid on average 55.6 % of the revenues generated on the defined Feed-in-Tariff for the asset. The latest month however shows an increasing percentage of payments. The Group recognizes a credit loss provision for the full amount unpaid within 30 days after invoicing. This results in a change of the impairment of NOK 7.9 million done in Q3 2022 to NOK 5.9 million in Q4 2022.

Further, in relation to our operations in Ukraine, Norsk Solar AS (lender) has a long-term loan agreement with a third party (borrower) with repayment 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 Marshal Law, leading to limitation of foreign fund transfers, Norsk Solar AS has assessed there to be a significant increase in credit risk. After assessing the fair value of the long-term loan receivables, Norsk Solar AS recognized a credit risk loss provision, equivalent to the full loan amount of principal and accrued interest totalling NOK 6.9 million in December 2022.

## Note 9 – Equity

<i>NOK 1000</i>	Share capital	Share premium	Other equity	Sum	Equity attributable to parent	Minority Interests
Balance December 31, 2021	748	168 410	-8 775	160 383	135 793	24 589
Profit (Loss) for the year	0	0	-66 951	-66 951	-52 431	-14 521
Translation differences	0	0	-2 639	-2 639	-20	-2 618
Transactions with minority interests	0	0	0	0	8 592	-8 592
<b>Total</b>	<b>748</b>	<b>168 410</b>	<b>-78 365</b>	<b>90 793</b>	<b>91 935</b>	<b>-1 142</b>

## Note 10 – Shareholders

	Dec 31, 2022		Dec 31, 2021	
	Number of shares	Owner interest	Number of shares	Owner interest
Valinor AS	35 532 861	47,5 %	35 532 861	47,5 %
Pictet & Cie (Europe) S.A.	4 978 194	6,7 %	4 978 194	6,7 %
ØLV HOLDING AS (owned by CEO)	4 721 230	6,3 %	4 721 230	6,3 %
BERKER GROUP AS	4 700 930	6,3 %	4 701 230	6,3 %
FREMT AS	4 699 230	6,3 %	4 699 230	6,3 %
AEGA ASA	3 989 170	5,3 %	3 989 170	5,3 %
NORDIC ESG AND IMPACT INFRASTRUCT	2 631 578	3,5 %	2 631 578	3,5 %
RØROS KOBBERVERK AS (owned by Chairman)	2 448 120	3,3 %	2 448 120	3,3 %
CACEIS Bank	1 590 536	2,1 %	1 375 000	1,8 %
AUSTAVIND AS	1 102 631	1,5 %	1 052 631	1,4 %
<b>Total</b>	<b>66 394 480</b>	<b>88,8 %</b>	<b>66 129 244</b>	<b>88,4 %</b>
Total other	8 375 907	11,2 %	8 641 143	11,6 %
<b>Total number of shares</b>	<b>74 770 387</b>	<b>100 %</b>	<b>74 770 387</b>	<b>100 %</b>

## Note 11 – Cash

	Dec 31, 2022	Dec 31, 2021
Short-term bank deposits	44 436 187	86 800 540
<b>Cash and cash equivalents in the cash flow statement</b>	<b>44 436 187</b>	<b>86 800 540</b>

Bank deposits for employee tax withholding

2 139 959

746 102

## Alternative Performance Measures

Norsk Solar Group discloses alternative performance measures (APMs) in addition to those normally required by NGAAP. This is based on the Group's experience that APMs are frequently used by analysts, investors and other parties for supplemental information. The purpose of APMs is to provide an enhanced insight into the operations, financing and future prospect of the Group.

Management also uses these measures internally to drive performance in terms of long-term target setting. APMs are adjusted NGAAP measures that are defined, calculated and used in a consistent and transparent manner over the years and across the Group where relevant.

Financial APMs should not be considered as a substitute for measures of performance in accordance with NGAAP. Disclosures of APMs are subject to established internal control procedures.

Definition of alternative performance measures used by the Group for enhanced financial information

**Agent Principal adjustments:** This is adjustments of revenue and costs to gross presentation in transactions where the Group is considered as an agent for accounting purposes, see also note 5.

**Gross revenue:** revenue adjusted to include all revenue generated from operations at gross level.

**Gross COGS:** costs adjusted to include all costs generated from operations at gross level.

**EBITDA:** is defined as operating profit adjusted for depreciation, amortisation and impairments.

Norsk Solar Group (NOK 1000)	FY2022	FY2021
Revenue	13 737	13 593
Agent principal	51 962	0
<b>Gross revenue</b>	<b>65 699</b>	<b>13 593</b>
COGS	167	8 296
Agent principal	51 962	0
<b>Gross COGS</b>	<b>52 130</b>	<b>8 296</b>
EBITDA	-43 256	-28 111
EBIT	-63 578	-38 509



