



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 916 876 270
Organisasjonsform: Aksjeselskap
Foretaksnavn: SOIL STEAM INTERNATIONAL AS
Forretningsadresse: Borgeskogen 15
3160 STOKKE

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: HK REGNSKAP SANDEFJORD AS

Dato for fastsettelse av årsregnskapet: 20.03.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 06.07.2025





Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		14 247 005	3 617 614
Annen driftsinntekt			31 575
Sum inntekter		14 247 005	3 649 189
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer		8 272 913	
Varekostnad		39 102	92 966
Lønnskostnad	2	18 877 282	15 127 813
Avskrivning av driftsmidler og immaterielle eiendeler	3	2 566 616	336 389
Nedskrivning av varige driftsmidler og immaterielle eiendeler			3 906 934
Annen driftskostnad	2	8 197 527	10 061 489
Sum kostnader		37 953 440	29 525 591
Driftsresultat		-23 706 435	-25 876 401
Finansinntekter og finanskostnader			
Annen renteinntekt		548 047	182 271
Annen finansinntekt		127 873	32 546
Verdiøkning markedsbaserte omløpsmidler		5 226	
Sum finansinntekter		681 145	214 817
Nedskrivning av andre finansielle anleggsmidler			29 082
Annen rentekostnad		318 728	275 939
Annen finanskostnad		215 535	177 774
Sum finanskostnader		534 263	482 794
Netto finans		146 882	-267 978
Ordinært resultat før skattekostnad		-23 559 553	-26 144 379
Skattekostnad på resultat	4		
Ordinært resultat etter skattekostnad		-23 559 553	-26 144 379
Årsresultat	5	-23 559 553	-26 144 379



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Årsresultat etter minoritetsinteresser		-23 559 553	-26 144 379
Totalresultat		-23 559 553	-26 144 379
Overføringer og disponeringer			
Udekket tap		-23 559 553	-26 144 379
Sum overføringer og disponeringer		-23 559 553	-26 144 379



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling		8 756 571	10 390 887
Konsesjoner, patenter o.l.		174 789	222 489
Utsatt skattefordel	4		
Sum immaterielle eiendeler		8 931 360	10 613 377
Varige driftsmidler			
Tomter, bygninger o.a. fast eiendom	3		
Maskiner og anlegg	3	3 300 245	749 065
Skip og flytende installasjoner	3		
Driftsløsøre, inventar o.a. utstyr	3	288 200	202 900
Sum varige driftsmidler	3	3 588 445	951 965
Finansielle anleggsmidler			
Investering i datterselskap		31 399	24 979
Lån til foretak i samme konsern	6		
Lån til tilknyttet selskap og felles kontrollert virksomhet	6		
Andre langsiktige fordringer	6		
Sum finansielle anleggsmidler		31 399	24 979
Sum anleggsmidler		12 551 205	11 590 321
Omløpsmidler			
Varer			
Sum varer		6 849 559	3 529 296
Fordringer			
Kundefordringer		41 031	
Andre kortsiktige fordringer		3 762 853	8 418 800
Sum fordringer		3 803 884	8 418 800
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.		15 848 973	15 870 599
Sum bankinnskudd, kontanter og lignende		15 848 973	15 870 599



Balanse

Beløp i: NOK	Note	2023	2022
Sum omløpsmidler		26 502 416	27 818 694
SUM EIENDELER		39 053 621	39 409 015
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	7	208 484	187 842
Beholdning av egne aksjer	7		
Overkurs		36 801 505	34 931 700
Annen innskutt egenkapital		-13 237 236	-12 787 236
Sum innskutt egenkapital		23 772 753	22 332 306
Annen egenkapital	8		
Sum egenkapital	5	23 772 753	22 332 306
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4		
Annen langsiktig gjeld			
Konvertible lån	9		
Obligasjonslån	9		
Gjeld til kredittinstitusjoner	9	3 713 146	5 427 019
Øvrig langsiktig gjeld	9		
Sum annen langsiktig gjeld	9	3 713 146	5 427 019
Sum langsiktig gjeld		3 713 146	5 427 019
Kortsiktig gjeld			
Leverandørgjeld		2 309 769	3 293 778
Betalbar skatt	4		
Skyldig offentlige avgifter		1 192 741	955 691
Annen kortsiktig gjeld		8 065 212	7 400 221
Sum kortsiktig gjeld		11 567 722	11 649 690



Balanse

Beløp i: NOK	Note	2023	2022
Sum gjeld		15 280 868	17 076 709
SUM EGENKAPITAL OG GJELD		39 053 621	39 409 015



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 629934

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Dato for fastsettelse av årsregnskapet: 20.03.2024

Revisjon

Årsregnskapet er utarbeidet av ekstern
autorisert regnskapsfører: Ja

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Brønnøysundregistrene, 16.07.2024



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NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
4

Antall årsverk i regnskapsåret
16.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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SoilSteam International AS



SOIL STEAM

Clean soil. No chemicals.



Annual Report 2023



MISSION

Provide sustainable technology for the removal of undesirable organisms in our soil.

VISION

Making a global impact on soil preservation and loss of nature.

CORPORATE VALUES

Supportive

Treat people with respect, be honest, help and support each other, take the initiative.

Ambitious

Set high goals, be brave never give up, be proactive.

Responsible

Take action when required, stretch to deliver, follow laws and regulations, always focus on sustainability.



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Executive Management Team and

Organisation Board of Directors

Board of Directors' Report

Sustainability and Impact

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About SoilSteam

Background

Soil degradation is a huge problem that is threatening biological diversity at a rapid pace. According to the Food and Agriculture Organization of the United Nations (FAO), 33% of soils are already degraded. Furthermore, topsoil, a non-renewable resource – it takes nature 100 years to create just 1 cm – could run out in 60 years. In the EU alone, it is estimated that 673 million tonnes of soil is brought to landfill annually and taken out of circulation, which is three times the volume of household waste. Furthermore, resistant weeds and soilborne pathogens are threatening global food production. As for chemicals, the EU has banned 460 active chemical ingredients and set a target for a further 50% reduction through its Green Deal programme, leaving farmers with few or no alternatives for addressing problems such as pests and disease. That, combined with the fact that soils store more carbon than the atmosphere, and all the world's plants and forests combined, proves how precious a resource it is.

Our business

By combining soil steaming with groundbreaking modern technology, we have created a solution to one of the world's most urgent problems: preserving our valuable soil. SoilSteam completely cleans the soil of weeds, pests, diseases and invasive alien species without the use of chemicals, giving new life to infected soil. Steaming has been around for more than 100 years, but as a relatively energy-intensive process, the cost of energy has always posed a challenge. SoilSteam technology has made the process both profitable and easy to use, and we are targeting two distinct markets with two different product groups:

- The construction, landscaping and soil processing industries with SoilSaver
- Agriculture with FieldSaver

Product groups

SoilSaver

Aimed at reducing unsustainable waste management practices in the construction, landscaping and soil processing industries, SoilSaver specifically targets the practice of landfilling soil that could otherwise be productive. With the SoilSaver machine that uses steam technology for recycling, we can clean what is currently treated as special waste and give it new life as vital topsoil, meaning large volumes of soil currently dumped in landfill can now be rescued.

FieldSaver

With the FieldSaver machine, we can breathe new life into crops that have been damaged by weeds and pests by steaming a farm's topsoil – in a 100% chemical-free process.

We have big ambitions. We know we can make a difference to future farming and soil management. The solution is ready for use; now we have to work together to bring the technology to life and contribute to reversing nature loss and protecting one of our most precious resources.



Key Figures

Financials	2022	2023	Change
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All figures in NOK

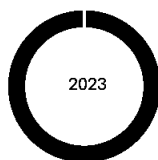
Operating revenues	101,814	13,085,005	12752 %
Grants	3,515,800	1,012,400	-71%
Cash balance	15,870,599	15,848,973	-0%

Employee Data	2022	2023	Change
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Total employees	15.0	17.2	15 %
Nationalities	2.0	2.0	-

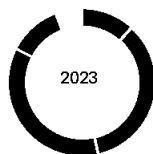
By Region

100.0 %	Norway	15.0	17.2	15 %
0.0 %	Europe	0.0	0.0	-
0.0 %	North America	0.0	0.0	-



By Division

11.6 %	Administration	2.0	2.0	-
34.9 %	Technical	6.0	6.0	-
36.0 %	Operations	5.0	6.2	24 %
11.6 %	Sales and marketing	1.0	2.0	100 %
5.8 %	R&D	1.0	1.0	-

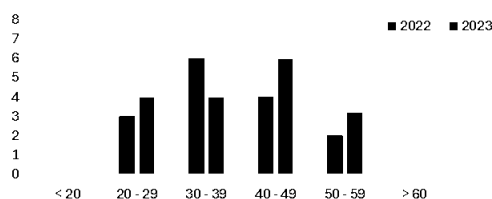


By Gender

18.6 %	Women	3	3.2	7%
81.4 %	Men	12.0	14.0	17%
0.0 %	Female leaders	0.0	0.0	-
100.0 %	Male leaders	5.0	5.0	-

By Age Group in %

0.0 %	< 20	0.0	0.0	-
23.3 %	20 - 29	3.0	4.0	33 %
23.3 %	30 - 39	6.0	4.0	-33%
34.9 %	40 - 49	4.0	6.0	50 %
18.6 %	50 - 59	2.0	3.2	60 %
0.0 %	> 60	0.0	0.0	-



Board of Directors

100.0 %	Total	7.0	5.0	-29%
16.7 %	Women	2.0	1.0	-50%
83.3 %	Men	5.0	5.0	-

Number of employees in full-time equivalents (FTE)

HSE	2022	2023	Change
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Sickness absence	1.8 %	1.9 %	3 %
Serious incidences	0.0	0.0	-
Recordable incidences	1.0	1.0	-



Letter from the CEO



Dear shareholders,

SoilSteam's strategy for 2023 was focused on getting the **SoilSaver** product into the market. This strategic goal was reached, with two machines sold and delivered in 2023, and a strong pipeline established with both Norwegian and international players on the prospect list for 2024. Interest in our machines was received from different parts of the world, and we have truly established ourselves as the go-to company for tackling soilborne diseases and invasive species.

Looking ahead to 2024, funding will be of paramount importance for our company and the outcome of our upcoming funding round will impact our future strategic direction. Our primary goal is to attract larger investors to be able to scale up the company and move full speed ahead with all three product lines in order to deliver on our ambitious plans. These plans will require about NOK 150 million in capital before positive cashflow is reached and involve the scaling up of development, sales, supply chains and support in targeted markets. Should such funding not be obtainable with reasonable terms, we will focus our attention on SoilSaver with an emphasis on sales of the existing model and the development of a smaller electric model to ease market entry.

Our experiments related to precision steaming with **FieldSaver** were highly successful, with positive feedback and results received from our partners in Spain and California. Plans are in place to further develop the precision version of the FieldSaver machine, providing sufficient funding is made available.

The Winter Machine activities progressed according to plan in 2023. Extensive trials were conducted, with the initial results expected to be ready in May 2024. If the results are positive, we have the foundations in place to embark on a very exciting journey towards the elimination of weeds without the use of chemicals. A strong patent has already been approved in Norway and the patent application process is underway in other large markets worldwide. We are also currently assessing alternative funding sources for the future development of the Winter Machine.

I want to express my deepest gratitude towards our employees, who made our progress possible due to their enthusiasm, involvement and flexibility. Their hard work and dedication were instrumental to our achievements in 2023.



Executive Management Team and Board of Directors

 <p>Oddbjørn Bergem PhD, MSc Physics, MBA</p> <p>20+ years as CEO, taking three different companies from an entrepreneurial stage to global players</p>	 <p>Hans K Westrum Farmer, founder, MBA</p> <p>20+ years of sales and marketing experience, and involved in soil steaming since 2000</p>	 <p>Richard Nilsen MBA, Financial management</p> <p>15+ years' investment management and fund operations experience at Morgan Stanley and in the private equity industry</p>
 <p>Andreas Larsson PhD Physics, MSc</p> <p>15+ years' experience in R&D, research and product development, and author of numerous scientific papers and patents</p>	 <p>Stian Forland BSc Logistics</p> <p>15+ years' experience in sales and customer relations management</p>	 <p>Tor Aksel Storbukås BSc Mechanics, MBA</p> <p>15+ years' experience in supply chain management and lean production methodology</p>



Chairman BoD



BoD member



BoD member



Bod Member

Chief scientific advisor to gov. of Ireland, Director General, Science Found. Ireland, Professor

the European Innovation Council Board (EIC), former CEO of Innovation Norway, Author

Experienced Chief Executive Officer with a demonstrated history of working in the design industry.

experience from CEO for fund administration, accounting and financial advisory services.



Board of Directors' Report

for

SOILSTEAM INTERNATIONAL AS

org.nr. 916 876 270

Operating Year 2023

Business activities and location

SoilSteam International AS develops and markets equipment for cleaning contaminated soil without the use of harmful chemicals. The equipment's purpose is to remove unwanted organisms such as weeds, pests, diseases and invasive alien species so the contaminated soil can be reused as productive soil. The technology heats the soil using steam until a targeted temperature and level of exposure is achieved.

The company has developed two product groups that include a containerised unit targeting the construction, landscaping and soil processing industries, and a self-propelled unit aimed at agricultural farming. In addition, a third product group with the potential to radically change farmers' soil management practices outside of the regular season is in early-stage testing. The company's head office is based in Sandefjord municipality in Norway.

A true and fair overview of business development and financial figures

Profit and loss, along with business activities, developed according to plan and were adjusted as needed to secure operational progress. The organisation is fully covered in key positions and has formed relationships with key strategic business partners to balance in-house core competence with lean and flexible resource availability as needed.

Profit and loss for the entity is a product of the company still being in an early-stage phase, where product, organisation and market development have been the main activities.

The Board confirms that the annual financial statements for 2023 have been prepared on the basis of a going concern assumption and, to the best of our knowledge, provide truthful information of the assets, liabilities, financial position and profit or loss of the company.

Go-to-market strategic efforts

We spent a large part of 2023 developing our supply chain capabilities by further strengthening relationships with our key production partners and our in-house competence around distribution, service and maintenance. Together with an increased focus on sales and marketing, we believe we have built a solid foundation for further growth. Our sales department is growing and we have an exciting pipeline of potential customers, as well as favourable macro conditions.

As of 1 January 2024, climate and environment considerations must have at least a 30% weighting in all public procurements. This already led to one SoilSaver 20 sale in 2023, where a contractor won a large infrastructure contract because of the sustainability impact offered by our machine.

Research and development activities

The company conducts in-house research and development activities at its department at Campus Ås, Norwegian University of Life Sciences (NMBU), where both soil analysis and further development of key concepts take place. The company has also established a test centre at its headquarters in Borgeskogen, with several developments involving significant positive results tied to improvements in the company's products and concepts.



The **SoilSaver** concept was commercialised during 2023, alongside further in-house testing and process improvements. The product drew significant attention from both the construction and soil processing industries, and further cemented our belief in the technology's potential. Based on the successful market entry of this product, and in order to scale up, we turned our attention to further strengthening our marketing, production, distribution, and service and maintenance capabilities.

Our vehicle-based **FieldSaver** product was field tested during the year, with positive results. However, as mentioned in the 2022 annual report, the challenging development in energy prices meant we had to think differently. In response to that, the company developed a new concept that was thoroughly field tested to show significant potential for reducing the energy need by as much as 85% when compared with traditional steaming methods. This precision steaming technology continued to show significant promise in 2023 and we developed the concept further, albeit at a slower pace because of the growing market demand for the SoilSaver unit monopolising the company's resources.

Going concern

The financial statements of 2023 have been prepared on the basis of going concern assumptions. The Board confirms that the assumption of going concern is present as the continued use of resources are funded in part through public grants (Innovation Norway and SkatteFUNN) and in part through capital from existing shareholders. The company plans to raise additional capital through a convertible bond agreement with existing shareholders, to be completed in April 2024, which will be used to further scale up and grow existing operations and commercial activities.

Work environment

It is the Board's opinion that the work environment at the company is satisfactory and no measures were implemented in that regard in 2023. There was no significant damage or injuries of any sort in 2023. Collectively, sick leave amounted to 547 hours, which corresponds to about 1.9% of available time.

Throughout 2023, the Board continued to focus on building an organisation that is well suited to covering all business activities. The total number of employees at year end (17.2) is expected to increase gradually as the company grows its activities according to plan.

Equality and diversity

Working towards increased equality and diversity in future hiring is an explicit goal for the company. As of year end, the workforce consisted of about 18.6% women and 81.4% men, and the Board of Directors was comprised of 16.7% women and 83.3% men. That is a slight change in the Board's composition compared with 2022, and mainly reflects that the number of Board members was reduced following a strategic review in 2023. The employee composition is largely the same as in 2023, but plans for 2024 will further improve gender diversity. Our employees represent two different nationalities, with ages ranging from 25 to 59 years old.

Key risk factors

Technology and development

The company continues to document the effects of steaming and refining the optimal mix of temperature and time with regard to specific diseases and problems. Technology risk has been significantly reduced, except for the new concept of spot steaming and another new concept that is currently being patented, both of which need further verification.

The main risk for the next company phase is closely tied to improving the operational reliability and efficiency of commercial units. We have made great progress on partnering with competent production and engineering partners, and on structuring the organisation for market entry and growth. Our strategy is to optimise a balance between both in-house and external resources to ensure sufficient and flexible progress in all areas.



Personnel

As an early-stage entity, much of the company's current knowledge and information continues to be concentrated around a smaller number of employees. A loss of key personnel could therefore delay both development and market entry, as well as lead to a loss of valuable insight into the company's activities. Attracting and retaining the right people is essential, and the company is actively engaged in developing its personnel policy with an increased focus on unity and cooperation across departments and product groups. The company is also offering employees the opportunity to become shareholders under favourable conditions to increase motivation and a sense of ownership, and provide the option of taking part in the company's financial development. This is also used as an incentive to recruit top talents.

IT and intellectual property rights

The company has outsourced all management of IT security and systems with regular internal reviews. All systems are based in the cloud for secure storage and are regularly upgraded. Intellectual property is protected by patents where applicable.

Financial risks

The company has some exposure to exchange rate risk and, to a lesser extent, interest rate changes. Revenues are predominantly in Norwegian kroner, while cost of production and large parts are increasingly in euro. The exposure for 2024 is expected to be moderate, but we plan to formalise the policies and procedures for handling exchange rate risk shortly. Inflation of key parts, both for capex and operating expenses, could adversely affect the company. The continued volatility of energy prices (which comprise a significant part of our products' operating expenses) and high level of general inflation are also material risk factors.

Environment

The purpose of our business is to make a positive contribution to significantly improving our environment. Invasive alien species, current soil management practices and agricultural expansion pose severe social, natural and climate risks. Our machines use multiple technologies, of which heated steam is a central part and, among other uses, completely or partly replace the need for today's practice of using chemicals to combat soil-related problems. Heating soil with steam is an energy-intensive process and is currently produced using alternative fossil fuels. Yet even in those circumstances, the effect of soil steaming still produces positive environmental effects, such as cutting transportation, reducing the need for importing food, reversing the loss of nature and protecting biodiversity. The company has conducted extensive analysis that shows a net positive CO₂ contribution from several of the company's activities, and we are continuously working on developing our machines so they can utilise alternative clean energy sources with an even lower CO₂ footprint as they become commercially available. The company's other business activities within research and development, administration and production pollute the environment to a small degree.

Allocation of net income

As budgeted, net income for the year 2023 was a loss of NOK 23,559,553, which the Board proposes to be charged to equity in the balance sheet.

Events after the reporting period

At the time of signing the Annual Accounts and Board of Directors' Report, the company only had available funds to keep operating for two more months and therefore needed to strengthen its liquidity and financial position. The Board has actively worked towards securing further capital, balancing the need to maintain operational progress with not scaling more than necessary. For this reason, the Board has negotiated a signed convertible bond term sheet with a group of existing shareholders, who will fund the company's operating plans for the next 12 to 18 months (depending on the progress in terms of revenue). Should anything unforeseen happen that leads to



the capital increase not being completed, the Board will have to reconsider its going concern assumption.

Directors and Board Insurance

The company's Board of Directors and deputy members are insured for liability for damages, financial loss that is not a consequence of damage to a person or object, and legal representation from liabilities of damages covered by the insurance.

Overview

It is the Board's opinion that our investments in concept and product development will generate a significant commercial return. The Board is keenly aware that the risk level relating to early-stage companies with long and capital-intensive development phases such as ours is high. The combination of competence, experience and creativity that characterises our organisation, Board of Directors and shareholders continues to be the company's key success factor. Our ambitious goal to create a global industrial company that significantly contributes to the health of our planet remains a motivation for us all.

Sandefjord, 31.12.2023/20.03.2024.

Mark Ferguson
Chairman

Bård Eker
Board member

Ben Guren
Board member

Hans Kristian Westrum
Board member

Oddbjørn Bergem
CEO



Sustainability and Impact

Soilsteam International AS (SoilSteam) is part of a fast-growing cleantech industry focusing on sustainability and clean environmental practices, and its ambition is to become a leading global company. Through groundbreaking technology, SoilSteam contributes to reversing loss of nature, securing sustainable soil management practices in the construction industry, and providing solutions for sustainable and regenerative agricultural practices by using steam to remove unwanted organisms such as weeds, fungi and soilborne pathogens.

The importance of soil is our primary impact and value driver, and as the UN highlighted during its observance of Soil Day 2023: “Our planet’s survival depends on the precious link between soil and water”. Our technology and products have a direct impact on many of the UN’s Sustainable Development Goals, particularly the following categories:

1 Climate



- ✓ Soil stores more carbon than all the plants and forests combined
 - UN Goal: Take urgent action to combat climate change and its impact
 - UN Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

2 Nature



- ✓ Soil is home to 25% of all the earths biodiversity
 - UN Goal: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
 - UN Target 15.8: Introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species.

3 Social



- ✓ 95% of all food we eat comes from soil
 - UN Goal: End hunger, achieve food security and improved nutrition and promote sustainable agriculture
 - UN Target 2.4: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

At its core, our sustainability impact focuses on reversing loss of nature, protecting and increasing biodiversity, ensuring a sustainable food system, and accelerating the net zero transition through soil recirculation that enables improved carbon sequestration.

Following the historic agreement at COP 15, the importance of soil preservation continues to build momentum and has become a driving force for change, which supports our business. The Montreal Global Biodiversity Framework that was adopted at the conference specifically addresses biodiversity loss and restoring natural ecosystems, and targets initiatives to which we can directly and significantly make positive contributions. As an example, Norway has enacted into law that climate and environment considerations should have a weighting of at least 30% within all public procurements as of 1 January 2024. This has had a direct impact on large parts of our customer base, and directly led to the sale of one of our machines in 2023.



In addition, the EU's ambition to become the first climate neutral continent by 2050 through its Green Deal programme has not lost focus, and we see a continued commitment to developing solid regulations for a nature-positive future. In particular for us, last year's focus on circular waste management is at the heart of our ambitions to treat soil as a precious resource, not waste.

The EU Soil Strategy for 2030, which targets specific initiatives to achieve climate and biodiversity targets, build a clean and circular bioeconomy, reverse biodiversity loss, and safeguard human health, continues to be one of the key frameworks driving our sustainability strategy. We have also formulated an internal circular economy strategy that starts at the design phase of our products.

Greenhouse gas reports

The company completed full greenhouse gas (GHG) emissions reports for both our product groups in 2021, which showed net positive CO₂ footprints even if units were operated using fossil fuels. The biggest contributor to environmental gains was through the use of our SoilSaver unit placed directly on or close to large construction sites, reducing transportation over large areas to landfill where the soil also remains unproductive. This has been further verified through an updated SoilSaver sustainability report developed by the external sustainability consultants CEMAsys.

EU taxonomy status

We continue to prepare the company for EU taxonomy reporting. SoilSteam is not directly subject to the regulatory requirements, but we consider ourselves indirectly affected and have started the preparations to report in line with the regulations. The company aims to be fully transparent in its activities and their effect on the environment, and to become a significant contributor to reach EU sustainability goals. We have mapped out the framework being implemented and identified the company's activities, which will be continually analysed in line with the technical criteria defined in the EU taxonomy regulations. Further implementation will mean that, in the future, the company will inform and report on its financial share of income, costs and capital expenditures from sustainable activities.

Alternative energy sources

We made substantial progress in our efforts towards identifying alternative energy sources for our products in 2024. Our activities included formulating a clear alternative energy strategy, initiating a feasibility study of available energy sources, analysing product and technology adoption requirements (including availability and safety), and defining price and climate impact KPIs. Our machines are already equipped to use several different energy sources, with the potential for zero emissions, and one of the key decisions made in 2023 was to develop an electric SoilSaver. We continue to monitor the development, and availability, of alternative energy sources and have high ambitions for 2024.

Soil health and biodiversity

The company is actively working towards building core competence in the areas of soil health, microbial life and biodiversity, and the effect of heating soil with steaming. We are awaiting key data from several research experiments in this area and draw on the competence of specialist resources to keep developing our position as a leading expert in the field.

Achievements and awards

Innovation and a sustainable ecosystem have been a part of our culture from inception and SoilSteam has received several awards and honours for promising and innovative technology, including from industry experts, national and international interest organisations, and the European Commission.

- Winner, Norwegian agricultural innovation award (2018)
- Winner, Vestfold Entrepreneur award (2018)
- Winner, Best AgriTech start-up in Europe (2018) out of 1,200 companies



- Winner, Local Eat award, finalist Nordic Eat award (2017)
- Finalist, Nordic Cleantech Open (2019)
- Finalist, Tesco Award, UK (2018)
- Finalist, The Social Innovation Tournament, European Investment Bank (2020)
- Finalist, Best Climate Impact Startup and Best Founder, Nordic Startup Awards (2020)
- Seal of Excellence, European Commission Horizon 2020, Phase 1 (2017)
- Seal of Excellence, European Commission Horizon 2020, Phase 2 (2019)
- Included in Forward Fooding's #FoodTech500list (2020)
- Part of Solar Impulse's #1000solutions that will change the world (2020)
- Winner, Think Big prize, awarded to the city of Sandefjord's most sustainable company (2020)



SOIL STEAM INTERNATIONAL AS

Income Statement 2023

Operating income and operating expenses	Note	2023	2022
Revenue		12 995 092	101 814
Public grants	2	1 162 000	3 515 800
Other income		89 913	31 575
Total income		14 247 005	3 649 189
Cost of goods sold		8 312 015	92 966
Salary and personel expenses		18 877 282	15 127 813
Depreciation and amortisation	3	2 566 616	336 389
Impairment loss	3	0	3 906 934
Other operating expenses	2	8 197 527	10 061 489
Total expenses		37 953 440	29 525 591
Operating profit		-23 706 435	-25 876 401
Financial income and expenses			
Other financial income	4	681 146	214 817
Other financial expenses	5	534 263	482 795
Net financial items		146 882	-267 978
Net profit before tax		-23 559 553	-26 144 379
Income tax	6	0	0
Net profit after tax		-23 559 553	-26 144 379
Net profit or loss			
Attributable to			
Transferred from Share premium reserve		-23 559 553	-26 144 379
Transferred from other equity		0	0
Total	13	-23 559 553	-26 144 379



SOIL STEAM INTERNATIONAL AS

Balance sheet 2023

Assets	Note	2023	2022
Non-current assets			
Patents, trademarks, and similar rights	3, 7	174 789	222 489
Total intangible assets		174 789	222 489
Property, plant and equipment	2, 3	11 387 072	10 390 887
Other assets	3, 14	957 945	951 965
Total property, plant and equipment		12 345 017	11 342 852
Investments in subsidiaries	8	31 399	24 979
Total non-current financial assets		31 399	24 979
Total non-current assets		12 551 205	11 590 320
Current assets			
Inventories	9, 14	6 849 559	3 529 296
Total inventories		6 849 559	3 529 296
Account receivables	14	41 031	0
Other short-term receivables	10	3 762 853	8 418 800
Total receivables		3 803 884	8 418 800
Cash and cash equivalents	11	15 848 973	15 870 599
Total current assets		26 502 416	27 818 695
Total assets			



SOIL STEAM INTERNATIONAL AS

Balance sheet 2023

Equity and liabilities	Note	2023	2022
Equity	12, 13		
Paid-in capital			
Share capital		208 484	188 484
Share premium reserve		23 564 269	22 143 822
Total paid-in equity		23 772 753	22 332 306
Retained earnings			
Other retained earnings		0	0
Total retained earnings		0	0
Total equity		23 772 753	22 332 306
Liabilities			
Other non-current liabilities			
Liabilities to financial institutions	14	3 713 146	5 427 019
Total non-current liabilities		3 713 146	5 427 019
Current liabilities			
Account payables	15	2 309 769	3 293 778
Payable tax	6	0	0
Public duties payable		1 192 741	905 904
Other current liabilities	16	8 065 212	7 450 008
Total current liabilities		11 567 722	11 649 690
Total liabilities		15 280 868	17 076 709
Total equity and liabilities			

Sandefjord, 20.03.2024

The board of Soil Steam International AS

Mark W.J. Ferguson
Chairman of the board

Oddbjørn Bergem
CEO

Ben Guren
Board member

Bård Eker
Board member

Hans Kristian Westrum
Board member



SOIL STEAM INTERNATIONAL AS

Cash flow 2023

	Note	2023	2022
Cash flows from operating activities	18	-19 786 672	-19 741 560
Profit/loss before tax		-23 559 553	-26 144 379
Received SkatteFUNN		3 186 725	977 139
Profit/loss accounting this years SkatteFUNN		-681 822	-1 932 325
Gain/loss on the sale of fixed assets		0	-31 575
Ordinary depreciation		2 566 616	336 389
Impairment of investment USA		-6 420	29 082
Impairment of fixed assets		0	3 906 934
Change in inventory		-3 320 263	-2 116 536
Change in accounts receivable		-41 031	
Change in accounts payable		-984 009	2 025 400
Difference in expensed pension payments			
Effect of exchange rate fluctuations			
Change in other accrual items		3 053 085	3 208 311
Cash flows from investment activities		-3 521 080	-10 585 540
Proceeds from the sale of fixed assets			204 000
Payments to buy tangible assets		-3 521 080	-10 735 480
Proceeds from sale of shares and participations in other companies			
Payments to buy shares and participations in other companies			-54 060
Proceeds from the sale of other investments			
Payments to buy other investments			
Cash flows from financing activities		23 286 126	9 157 599
Proceeds from the issuance of new long-term liabilities			
Proceeds from the issuance of new current liabilities			
Repayment of long-term liabilities		-1 713 874	-379 101
Repayment of current liabilities			
Net change in bank overdraft			
Proceeds from equity		25 000 000	9 536 700
Repayment of equity			
Payment of dividend			
Proceeds from Group contributions			
Payment of Group contributions			
Net change in cash and cash equivalents		-21 626	-21 169 501
<i>Cash and cash equivalents 01.01.</i>		15 870 599	37 040 100
<i>Cash and cash equivalents 31.12.</i>			



SOIL STEAM INTERNATIONAL AS

Notes 2023

Note 1 Accounting principles

The annual report have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies. The following accounting principles are applied: Fixed assets are valued at acquisition cost and depreciated over the assets economic lifetime. Fixed assets are written down to recoverable amount in case of fall in value which is expected not to be temporary. Self-developed fixed assets are depreciated from the period they are put into use in commercial operations. Goods are valued at the lower of acquisition cost and net sales value. 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, cash and cash equivalents and liability are valued at face value.

Income from the sale of goods is recognised on the date of delivery, while public grants is recognized as income when the conditions are met, the grants received and associated costs are recognized in the income statement (combination principle). Grants are defined either as operating grants (related to specific periods or activities) or investment grants (related to specific assets to be used in further operations), or a combination of these.

From the financial year 2019 onwards, the company has chosen to capitalize development costs in demonstration machines, while development costs previously have been expensed, cf. § 5-6 of the Accounting Act. The company has considerable R&D-activities, and has defined development and operation in different stages; development phase (all costs are capitalized), trial production (only upgrade cost are capitalized) and series production (maintenance or capitalize according to tax laws).

The company's routines follow NRS 4 - Public grants. Investment grants, grants for specific assets to be used in further operations of the company, are netted for reasons of fair value assessment. For operating grants, grants that relate to specific periods or activities are based on gross accounting as it is the company's opinion that net accounting will give a misleading picture of the activity.

Note 2 Project cost and grants

Project costs in 2023 associated with the development and construction of demonstration machines for steaming soil amount to NOK 359.442, of this, NOK 359.442 has been capitalized in the balance sheet.

In 2023, income of NOK 1.162.000 has been recognized in grants from, among others, Innovation Norway, Grofondet and Vestfold and Telemark Fylkeskommune, of which NOK 1.012.000 will be received in 2024.

SkatteFUNN

The company has also been granted SkatteFUNN for 2020-2023, which is a continuation of previously approved SkatteFUNN project, as well as a new SkatteFunn project for 2022-2024. Total project costs are NOK 3.832.570, which gives a tax deduction of NOK 728.188 in 2023 confirmed by the company's auditor. These are splitted with NOK 634.452 for salary costs, NOK 56.314 for other operating costs and NOK 37.422 has been capitalized in the balance sheet.



SOIL STEAM INTERNATIONAL AS

Notes 2023

Note 3 Non-current assets	R&D- equipment	Other assets	Patents	TOTAL
Expected economic lifetime	5	5	5	
Depreciation principle	Straight-line	Straight-line	Straight-line	
Depreciation rate	20 %	20 %	20 %	
Historical cost 01.01.	18 817 709	1 427 253	316 380	20 561 342
Additions	3 447 636	344 484		3 792 120
Grants/SkatteFUNN				0
Disposal				0
Historical cost 31.12.	22 265 345	1 771 737	316 380	24 353 462
Accumulated depreciation 01.01.	1 085 977	475 288	93 890	1 655 155
Depreciation for the year	2 451 451	338 504	47 701	2 837 656
Acc. depreciation disposal				0
Accumulated depreciation 31.12.	3 537 428	813 792	141 591	4 492 811
Accumulated impairment 01.01.	7 340 845			7 340 845
Impairment for the year				0
Acc. impairment disposal				0
Accumulated impairment 31.12.	7 340 845	0	0	7 340 845
Booked value as of 31.12.	11 387 072	957 945	174 789	12 519 806

* Depreciation for the year has been reduced with a share of grants (NOK 271.040) from Innovation Norway.

Note 4 Other financial income	2023	2022
Interest income	548 047	182 271
Other financial income	5 226	18 246
Currency effects	127 873	14 300
Total other financial income	681 146	214 817

Note 5 Other financial cost	2023	2022
Interest cost	318 728	275 939
Other financial cost	24 770	22 500
Currency effects	190 765	155 274
Loss in Soil Steam USA Inc.	0	29 082
Total other financial income	534 263	482 795



SOIL STEAM INTERNATIONAL AS

Notes 2023

Note 6 Income tax expense

<i>Income tax</i>	2023	2022	
Income before tax	-23 559 553	-26 144 379	
Non-taxable income and non-deductible expenses	-757 209	-2 175 910	
Change in net recognized deferred tax assets and liabilities	-1 468 187	-4 411 478	
Total taxable income	-25 784 948	-32 731 767	
<i>Deferred tax</i>	<i>Change</i>		
Non-current assets	-1 468 187	-4 411 478	-5 879 665
Receivables	0	0	0
Total net recognized deferred tax assets and liabilities	-1 468 187	-4 411 478	-5 879 665
Recognized tax loss carry-forward	25 784 948	-86 765 271	-60 980 323
Total basis for deferred tax/tax assets	24 316 761	-91 176 749	-66 859 988
Deferred tax/tax assets (22%)	5 349 687	-20 058 885	-14 709 197

The company has chosen not to book deferred tax assets in accordance with the Accounting Act and NRS 8 - Good accounting practice for small companies.

<i>Income tax</i>	2023	2022
Payable tax	0	0
Deferred tax/tax assets	0	0
Total income tax	0	0

Note 7 Intangible assets

Patents of NOK 174.789 has been capitalized by the end of 2023. The patents are being depreciated from the time when the machines are fully developed and starts to generate steady income.

Note 8 Investment in subsidiaries

The company has invested NOK 1.033.060 in the subsidiary Soil Steam USA Inc.(100%), which was established with the purpose of further development of Soil Steam in the USA. The investment has been written down by NOK 1.001.661 in the period 2020-2023, and valued to the subsidiary's equity in the accounts in the USA as of 31.12.2023. The subsidiary does not have any active operations, but the funds have been used to establish the business, connect external advisers and partners, and prepared the company for market introduction.

The company has not prepared a consolidated annual report for 2023, as it follows the principles for small companies.

Note 9 Inventory

	2023	2022
Machines under construction	5 496 594	2 516 535
Parts in stock	1 352 965	1 012 760
Total inventories	6 849 558	3 529 295



SOIL STEAM INTERNATIONAL AS

Notes 2023

Note 10 Other short-term receivables

	2023	2022
Grants Innovasjon Norge	2 125 000	3 388 000
SkatteFUNN	728 188	3 186 725
VAT receivables	479 291	657 862
Subsidiary receivables	85 441	36 635
Prepayment suppliers	0	632 233
Other prepaid costs	344 933	517 345
Total other short-term receivables	3 762 853	8 418 800

Note 11 Bank deposits

Funds standing on the tax deduction account as of 31.12.2023 are NOK 744.023. This covers the tax deduction liability on salaries at the year end.

Note 12 Equity and shareholders

	Function	Shares	Shareholding
Greenit AS	Board member	19 510	9,4 %
Canica AS		17 830	8,6 %
Lakesvela Holding AS		17 456	8,4 %
Bækkelaget Holding AS		14 300	6,9 %
Mattisberget AS		12 000	5,8 %
Abrafam Holding AS		11 673	5,6 %
Shee Holding AS		10 830	5,2 %
Indcon AS		10 655	5,1 %
Olav Wirgenes		8 815	4,2 %
Leo Invest AS		7 372	3,5 %
Tenk Vekst AS		6 157	3,0 %
Sublim-z AS		5 743	2,8 %
Bgur Partner AS	Board member	5 150	2,5 %
Mp Pensjon Pk		4 800	2,3 %
Progress Tjenester AS		4 755	2,3 %
Elanel AS		4 310	2,1 %
Øvrige aksjonærer (eierandeler under 2 %) *		47 128	22,6 %
Totalt		208 484	100,0 %

* The board members Mark Ferguson and Bård Eker owns respectively 100 and 1.800 shares.

The company has created an option program where the option holder has the right to subscribe for up to 7.000 shares in private issues at a par value of NOK 1 and at a subscription price of NOK 700 per share against cash payment. The subscription rights expire on 31.12.2025.

The company has created an option program where the option holders has the right to subscribe for up to 24.272 shares in private issues at a par value of NOK 1 and at a subscription price of NOK 1.250 per share against cash payment. The subscription rights expire on 28.05.2028. 20.900 subscription rights were issued by the end of 2023.



SOIL STEAM INTERNATIONAL AS

Notes 2023

Note 13 Equity	Share capital	Share premium	Total equity capital
Equity capital 01.01.	188 484	22 143 822	22 332 306
Capital increase 2023	20 000	24 980 000	25 000 000
This years net loss		-23 559 553	-23 559 553
Equity capital 31.12.	208 484	23 564 269	23 772 753

Note 14 Long-term liabilities - pledged assets

	2023	2022
Debt to Innovasjon Norge	1 046 482	1 427 019
Debt to Sparebank 1 BV (installment-free until 15.01.2023)	2 666 664	4 000 000
Total long-term liabilities	3 713 146	5 427 019

Booked value of pledged assets

Machinery and equipment	7 599 499	6 211 183
Equipment and other movables	316 945	264 845
Inventory	6 849 559	3 529 296
Account receivables	0	0
Total charged assets	14 766 003	10 005 324

Note 15 Account payables

	2023	2022
Due dates outstanding to suppliers:		
Due 0-30 day's	2 182 477	1 760 561
Due 30-60 day's	114 339	1 533 217
Due 60-90 day's	12 954	0
Total account payables	2 309 770	3 293 778

Note 16 Other current liabilities

	2023	2022
Prepayment from customers	4 395 443	3 800 000
Grants from Innovasjon Norge *	1 084 160	1 355 200
Salary and holiday pay owed	1 806 624	2 048 626
Accrued interest	15 263	19 111
Incurring costs	763 723	227 071
Total other current liabilities	8 065 213	7 450 008

* Share of grants from Innovation Norway is recognized as income in line with depreciations of activated equipment



SOIL STEAM INTERNATIONAL AS

Notes 2023

Note 17 Events in 2024 and going concern

At the time of signing, the company only had available liquidity to keep operating for 2 months and is therefore in need of further strengthening of its liquidity and financial position. The board has actively worked towards securing further capital, balancing the need to maintain operational progress while not scaling more than necessary. The board has for this reason negotiated a signed convertible bond term sheet with a group of existing shareholders, which will fund the company's operating plans 12-18 months forward (depending on the progress in revenues). Should anything unforeseen happen that leads to the capital increase not being completed, the board will have to reconsider its going concern assumption.

The board considers that the going concern conditions are satisfied and the annual report have been prepared in accordance with this.

Note 18 Cash flow presentation

The company's principle is to expense salary costs and other operating costs (including consultancy services) that are related to research and development, and not to capitalize them in the balance sheet. These costs are thus included in the cash flow from operating activities, and not in the cash flow from investing activities.

**ANSVARLIGE REVISORER:**

STATSAUTORISERT REVISOR STÅLE RAASTAD HANSEN (REVISORREGISTERNR. 1019692)
STATSAUTORISERT REVISOR KAY VIDAR THOMASSEN (REVISORREGISTERNR. 1017234)

FGH REVISJON AS • GODKJENT REVISJONSSKAP • REVISORREGISTERNR. 959 152 446 • ORGANISASJONSNR. NO 959 152 446 MVA
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HJEMMESIDE: www.fgh.no

To the General Meeting of Soil Steam International AS

Independent auditor's report

Opinion

We have audited the financial statements of Soil Steam International AS (the company) showing a loss of NOK 23 559 553 and total equity of NOK 23 772 753. The financial statements comprise the balance sheet as at 31 December 2023, the statement of income and statement of cash flows 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, and
- the financial statements give a true and fair view of financial position of the Company as at 31 December 2023 and of its financial performance for the year then ended in accordance with the 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' Code of International 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) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or the information in the Board of Directors' report and for the other information presented with the financial statements 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, we are required to report that fact. We have nothing to report in this regard.

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GRUNNLAGT AV FRODE G. HANSEN, 1973

ANSVARLIGE REVISORER:

STATSAUTORISERT REVISOR STÅLE RAASTAD HANSEN (REVISORREGISTERNR. 1019692)
STATSAUTORISERT REVISOR KAY VIDAR THOMASSEN (REVISORREGISTERNR. 1017234)

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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 statutory requirements

Responsibilities of management for the Financial Statements

The Board of Directors and the Managing Director (management) are 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 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

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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

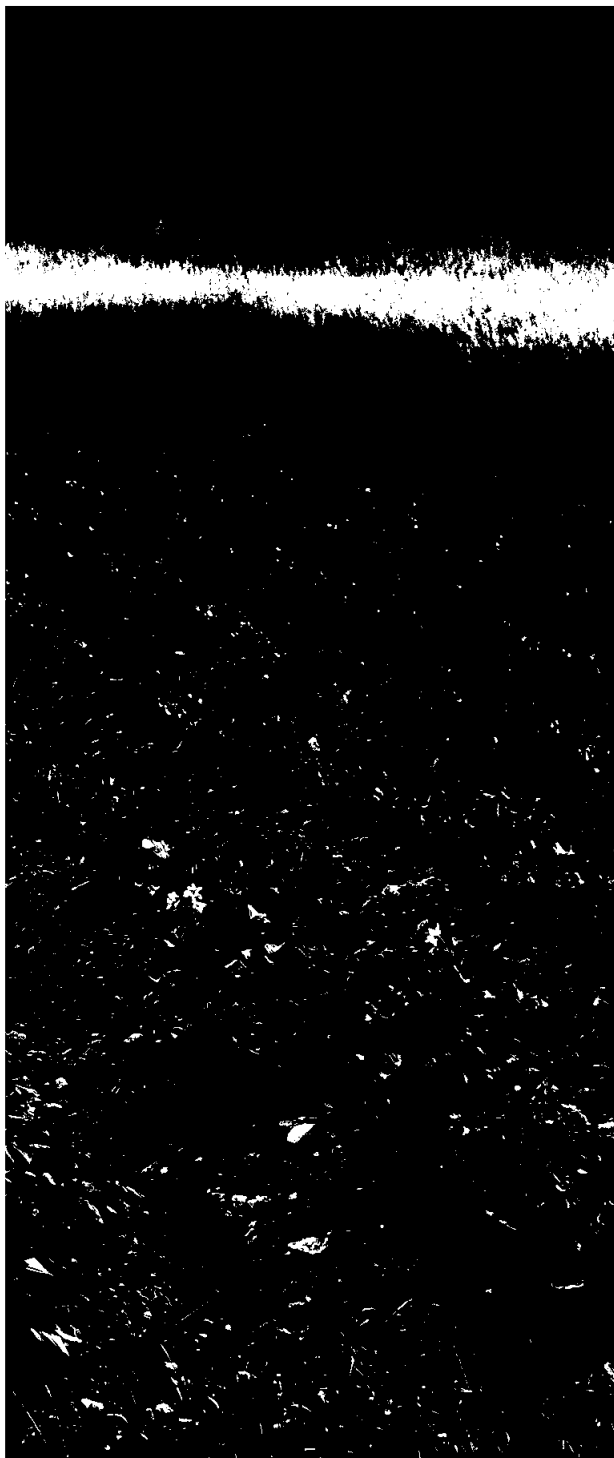
<https://revisorforeningen.no/revisjonsberetninger>

Sandefjord, 2. April 2024

FGH Revisjon AS

Ståle Raastad Hansen
State Authorised Public Accountant
(This document is signed electronically)

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SOIL STEAM
INTERNATIONAL

CLEAN SOIL. NO CHEMICALS.

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Skatteetaten

Vår dato 04.05.2023	Din/Deres dato 30.03.2023	Saksbehandler Lars Waaltorp
800 80 000 Skatteetaten.no	Din/Deres referanse AR544917891	Telefon 90833418
Org.nr 974761076	Vår referanse 2023/5179710	Postadresse Postboks 9200 Grønland 0134 OSLO

SOIL STEAM INTERNATIONAL AS
c/o HK Regnskap Sandefjord AS, Postboks 1254
3205 SANDEFJORD

Att. Richard Nilsen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Soil Steam International AS, org.nr. 916 876 270

Vi viser til deres brev mottatt 30. mars 2023 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Soil Steam International AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Soil Steam International AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Soil Steam International AS har private og profesjonelle norske eiere. Selskapet har utviklet moderne maskiner som er designet for å dampe jorden for å tilby kjemikaliefritt landbruk. Selskapet er i startfasen av å kommersialisere teknologien som har blitt utviklet. Fremtidige kunder er i stor grad engelskspråklige, og ved fremtidige emisjoner planlegger selskapet å henvende seg til internasjonale investorer. Selskapet har etablert et datterselskap i California.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,



f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet har private og profesjonelle eiere og vil rette seg mot internasjonale investorer. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.