



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	989 307 606
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	ECOTEQ ENERGY ASA
Forretningsadresse:	Professor Dahls gate 19A 0353 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Odd Erik Rudshaug
Dato for fastsettelse av årsregnskapet:	16.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 28.07.2023



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		140 000	211 000
Sum inntekter		140 000	211 000
Kostnader			
Lønnskostnad		362 000	359 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler		342 000	324 000
Annen driftskostnad		1 610 000	1 156 000
Sum kostnader		2 314 000	1 839 000
Driftsresultat		-2 174 000	-1 628 000
Finansinntekter og finanskostnader			
Valutagevinst			2 000
Sum finansinntekter			2 000
Annen rentekostnad		1 654 000	1 617 000
Valutatap		4 000	
Sum finanskostnader		1 658 000	1 617 000
Netto finans		-1 658 000	-1 615 000
Ordinært resultat før skattekostnad		-3 832 000	-3 243 000
Ordinært resultat etter skattekostnad		-3 832 000	-3 243 000
Årsresultat		-3 832 000	-3 243 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		383 000	28 000
Sum fordringer		383 000	28 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		11 000	16 000
Sum bankinnskudd, kontanter og lignende		11 000	16 000
Sum omløpsmidler		394 000	44 000
SUM EIENDELER		394 000	44 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		22 332 000	14 791 000
Overkurs		1 477 516 000	1 460 928 000
Sum innskutt egenkapital		1 499 848 000	1 475 719 000
Opptjent egenkapital			
Udekket tap		1 500 240 000	1 496 409 000
Sum opptjent egenkapital		-1 500 240 000	-1 496 409 000
Sum egenkapital		-392 000	-20 690 000



Balanse

Beløp i: NOK	Note	2022	2021
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Konvertible lån			18 089 000
Gjeld til kredittinstitusjoner			1 393 000
Leverandørgjeld		719 000	332 000
Skyldige offentlige avgifter		18 000	19 000
Annen kortsiktig gjeld		48 000	901 000
Sum kortsiktig gjeld		785 000	20 734 000
Sum gjeld		785 000	20 734 000
SUM EGENKAPITAL OG GJELD		393 000	44 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 611600

Enheten

Organisasjonsnummer: 989 307 606
Organisasjonsform: Allmennaksjeselskap
Foretaksnavn: ECOTEQ ENERGY ASA
Forretningsadresse: Professor Dahls gate 19A
0353 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Odd Erik Rudshaug
Dato for fastsettelse av årsregnskapet: 16.06.2023

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Brønnøysundregistrene, 26.07.2023



Organisasjonsnr: 989 307 606
ECOTEQ ENERGY ASA

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		140 000	211 000
Sum inntekter		140 000	211 000
Kostnader			
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Årsresultat		-3 832 000	-3 243 000



Organisasjonsnr: 989 307 606
ECOTEQ ENERGY ASA

BALANSE

Beløp i: NOK Note 2022 2021

BALANSE - EIENDELER

Anleggsmidler
Immaterielle eiendeler

Sum anleggsmidler 0 0

Omløpsmidler
Varer

Fordringer

Andre fordringer 383 000 28 000
Sum fordringer 383 000 28 000

Bankinnskudd, kontanter
og lignende

Bankinnskudd, kontanter
og lignende 11 000 16 000
Sum bankinnskudd,
kontanter og lignende 11 000 16 000

Sum omløpsmidler 394 000 44 000

SUM EIENDELER 394 000 44 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital 22 332 000 14 791 000
Overkurs 1 477 516 000 1 460 928 000
Sum innskutt egenkapital 1 499 848 000 1 475 719 000

Opptjent egenkapital

Udekket tap 1 500 240 000 1 496 409 000
Sum opptjent egenkapital -1 500 240 000 -1 496 409 000

Sum egenkapital -392 000 -20 690 000

Sum langsiktig gjeld 0 0

Kortsiktig gjeld

Konvertible lån 18 089 000
Gjeld til
kredittinstitusjoner 1 393 000
Leverandørgjeld 719 000 332 000
Skyldige offentlige
avgifter 18 000 19 000



Annen kortsiktig gjeld	48 000	901 000
Sum kortsiktig gjeld	785 000	20 734 000
Sum gjeld	785 000	20 734 000
SUM EGENKAPITAL OG GJELD	393 000	44 000



Organisasjonsnr: 989 307 606
ECOTEQ ENERGY ASA

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
1

Regnskapsprinsipper

Selskapets datterselskaper ble vedtatt solgt i 2022. De har også de siste årene vært ubetydelige, og alle fordringer og investeringer i datterselskapene har vært skrevet ned til 0. I 2022 ble det derfor ikke utarbeidet konsernregnskap.

<u>Sum</u>	<u>Beløp</u>		
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>	
<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Pantstillelse</u>	<u>Beløp</u>		
<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 30.01.2012	Vår dato 01.03.2012
Telefon 22078139	Deres referanse Britt Kollstrøm	Vår referanse 2012/92546

ALADDIN OIL & GAS COMPANY ASA
Øvre Slottsgate 14
0157 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Aladdin Oil & Gas Company ASA, org. nr. 989 307 606

Det vises til deres brev av 30. januar 2012 samt telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Aladdin Oil & Gas Company ASA.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Aladdin Oil & Gas Company ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn

Aladdin Oil & Gas Company ASA er et norsk holdingselskap som er notert på OTC-listen. Hovedaksjonær er det britiske selskapet Waterford Ltd med en eierandel på 60 %. Ca. 9 % av aksjene er eid av norske investorer som består av profesjonelle og private investorer. Ca 91 % av aksjene er således på utenlandske hender.

Aladdin Oil & Gas Company ASA har som formål å investere i olje- og gassvirksomhet i Russland. Selskapet er et lete- og produksjonsselskap med 100 % eierandel i de russiske oljeselskapene 000 Geotechnologia i Ukhta og 000 Veselovskoye i Orenburg. Disse selskapene eies gjennom to datterselskaper på Kypros, Larchbay Traders Ltd og Stikito Ltd. Aladdin Oil & Gas Company ASA i Oslo fungerer kun som et morselskap uten operasjonell drift, og har pr. dato tre ansatte.

Styret har medlemmer som er utenlandske statsborgere. Selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk. Konsernet er engelskspråklig og utarbeider sine regnskapsdokumenter på engelsk, blant annet av konsolideringshensyn. Arbeidsspråket i selskapet er også engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets 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.”*

Postadresse Postboks 9200 Grønland 0134 Oslo For elektronisk henvendelse se www.skatteetaten.no	Besøksadresse Se www.skatteetaten.no Org. nr: 996250318 www.skatteetaten.no	Sentralbord 800 80 000 Telefaks 22 17 08 60
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2012/92546 Side 2 av 2

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., 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 Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, 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 Skattedirektoratet lagt særlig vekt på at selskapet i det vesentlige er eid fra utlandet og at hovedaksjonær med 60 % eierandel er britisk. All operasjonell drift foregår i datterselskapene i utlandet. Selskapets arbeidsspråk er engelsk og all kommunikasjon skjer på engelsk. Selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk. Videre er det vektlagt at konsernet er engelskspråklig og utarbeider sine regnskapsdokumenter på engelsk bl.a. av konsolideringshensyn.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland



ECOTEQ ENERGY ASA

**CONSOLIDATED FINANCIAL STATEMENTS AND STANDALONE FINANCIAL STATEMENTS OF THE PARENT
COMPANY PREPARED IN ACCORDANCE WITH SIMPLIFIED APPLICATION OF INTERNATIONAL
ACCOUNTING STANDARDS ACCORDING TO THE NORWEGIAN ACCOUNTING ACT § 3-9**

31 DECEMBER 2022



Contents

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BOARD OF DIRECTORS' REPORT

Ecoteq Energy ASA (the "Company" or "Ecoteq") is a leading global sand oil extraction company that combines cutting-edge technology with an unwavering commitment to environmental sustainability. The Company's mission is to extract oil from waste materials in an eco-friendly manner while generating significant profits.

The Company's headquarter is located in Oslo, Norway. Ecoteq Energy is listed on the NOTC A-List in Norway under the ticker ECOT.

The Company changed its name from Araca Energy ASA to Ecoteq Energy ASA in December 2022.

Operations

In 2022 the Company had ownership interest in Aladdin Oil & Gas (Cyprus) Ltd ("Aladdin"), Culebra Holding Ltd ("Culebra"), Larchbay Traders & Consultants Ltd ("Larchbay") and Select Investment Ltd ("Select") together ("the Group").

Aladdin and Culebra were in 2022 financial investments for Ecoteq and the Company owned 47.6% and 34.3% respectively. Culebra owns 100% of the Russian company OOO Geotechnologia ("Geotechnologia"). Larchbay and Select was in 2022 100% owned subsidiaries.

In 2022 there were limited progress in the development of the underlying assets. Due to the now ongoing war between Russia and Ukraine all activity was very challenging and information from the companies have been limited.

Subsequent Events

In an extraordinary general meeting 31 March 2023, the following resolutions were passed:

- Decrease of the share capital from NOK 22 332 240 by NOK 16 749 180 to NOK 5 583 060 through a reduction of the nominal value of the Company's shares to NOK 5.
- The Board decided in 2022 to propose a purchase of 100% of the shares in Valkor Environmental LLC ("Valkor") for the AGM. Valkor owns 6 parcels in Unitah County in Utah, a license to extract oil as well as a license to use the extraction technology of Petroteq Energy Inc. The company has 2P reserves corresponding to approx. 121 million BOE. The company was owned by Global Commodities Business Partners Ltd ("GCBP") and after the acquisition, GCBP through its shareholders is now Ecoteq's largest shareholder. The purchase price was NOK 2 624 964 120 and was settled with new shares in Ecoteq. The shares were issued at NOK 9 per share each with a face value of NOK 5.
- In order to secure an additional upside for the existing shareholders, the general meeting decided to issue 5 583 060 warrants to shareholders of the Company as per the date of the general meeting. No consideration is to be paid for the warrants. Subscription price is NOK 9 per share, and notice of exercise must be given no later than 31st March 2025.
- Divest all of the Company's shares in Aladdin, Culebra, Larchbay and Select to Saur International LLP against a consideration of USD 100.
- Election of new Board of Directors:
 - Raymond Gerald Bailey, chairman
 - Tatiana Melkaia
 - Karar S. Doomey
 - Kari Hübner
- A Private Placement was proposed by the Board, the share capital of Ecoteq Energy ASA shall be increased by NOK 5 508 000 by subscription of 612 000 shares, each of a nominal value of NOK 5, the subscription price was NOK 9 per share. The Private Placement were fully subscribed by Santana in Stockholm AB.

In March 2023, Lars Erik Bengtsson was appointed as CEO in the Company.



Financial statements 2022

The Company prepares and presents its accounts in accordance with Simplified International Financial Reporting Standards (IFRS). The Board of Directors and the CEO consider the statements and corresponding notes presented in this report to give a correct and accurate summary of the Company's operations and position as at 31 December 2022.

The accounts for 2022 includes only the parent company Ecoteq Energy ASA.

Operating revenues for the year ended 31 December 2022 amounted to MNOK 0.1 compared to MNOK 0.2 in the year ended 31 December 2021. For the year ended 31 December 2022 the Company incurred a loss from operations of MNOK 2.2 (for the year ended 31 December 2021 the Group incurred a loss of MNOK 1.6).

Loss after tax for the year ended 31 December 2022 was MNOK 3.8, compared to profit of MNOK 7.4 for the Group in 2021. The profit in 2021 was due to a reversal of accruals in the subsidiary Larchbay.

Net working capital is negative with MNOK 0.4 in the end of 2022. (2021: MNOK negative MNOK 20.9). Available cash and cash equivalents as at 31 December 2022 were MNOK 0.1. The Company did not have any interest-bearing debt in the end of 2022.

As at 31 December 2022, the Company had total assets of MNOK 0.4. Total Shareholders' equity was minus MNOK 0.4.

In December 2022, a total of NOK 24 130 498 in outstanding debt was converted to equity at NOK 0.032 per share, resulting in 754 078 075 new shares.

Board of directors and key management

In 2022 the Board consisted of:

- Mr Rashid Ibrahim, Chairman of the Board
- Mr Abdulkareem Al Mutawa
- Mrs Tatiana Melkaia

Gender equality

Out of three employees and consultants in the Group as of the year ended 31 December 2022, there is one woman. Women are represented in the board members in Ecoteq Energy ASA. The Company is trying to recruit women to Group management positions. Women are well represented in the Group. There are no significant differences in employee benefits between men and women.

Working conditions

Safe working conditions are a fundamental prerequisite for the future growth of the Group. The Board and the CEO consider the working conditions in the Group to be satisfactory. No serious accidents resulting in major personal injuries or material damage have been reported in year ended 31 December 2022.

Research & development activities

The Group has not undertaken any research and development (R&D) activities in year ended 31 December 2022.

Anti-discrimination

The Discrimination Act's purpose is to promote equality, ensure equal opportunities and rights, and prevent discrimination. The Group is working actively to promote this in all of the Group's activities including recruitment, salary, working condition, promotion, development and protection against harassment.



The external environment

The Company was in 2022 an indirect minority owner of Geotechnologia, an operator of the Group's oil & gas fields in Russia. During drilling, the responsibility for the wells may be transferred to a subcontractor (drilling company) which holds full responsibility for the operations and any reporting to Russian authorities until the well is finished. When a well is finished and ready for production, the responsibility for the well is transferred back to the operating entities. The Board is aware of the importance in finding industrial solutions protecting the external environment and ensuring co-existence with other important industries. The Company upholds the laws and regulations applying in Russia at all times. No environmental incidents have been reported to Ecoteq for the year ended 31 December 2022 or to date. Due to the war between Russia and Ukraine there is a risk that not all information was available to the Board or Management of Ecoteq.

Financial risk

Mainly, the Group's financial risks are currency risk, price risk and liquidity risk. The Group seeks to achieve an acceptable risk level within these areas. As to interest rate risk, the Company's loans were converted to equity in 2022. The functional and presentation currency for the Group is Norwegian kroner, while the subsidiaries in Cyprus and UAE had presentation currency is US dollars. The Group was therefore exposed to currency risk in 2022. In 2023, Valkor will be a part of the Group, having functional and presentation currency in USD.

As to liquidity, the Company is in a development phase and has currently low or no revenue. The access to necessary funds to maintain its operation is considered to be a low risk factor after the purchase of Valkor and a subsequent equity raise in 2023.

Business ethics

The Company has adopted a policy that all activities and operations are to be conducted in a professional and safe manner, without injuries to humans or environmental damage. Training and exercises are important measures to achieve such. The Company supports honesty and trustful relationships with its business partners as well as the local community and has zero tolerance of corruption.

Going Concern

The Company had negative equity in the end of 2022. However, a NOK 5.5 million share issue was made in 2023 which resulted in positive equity and liquidity to for operations in 2023. The Board of Directors' intention is to maintain the Company as a going concern and the financial statements have been prepared based on the going concern assumption.

Outlook

After the purchase of Valkor, Ecoteq will now be a global leader in sand oil extraction, combining technology and environmental sustainability to extract oil from waste materials efficiently. The Company's closed-loop system, which recycles 95% of solvents used in the process, results in no greenhouse gas emissions, no wastewater or toxic trailing ponds, and no water usage. The company has 2P reserves corresponding to approx. 121 million BOE.

Parent company accounts and the coverage of the loss for the year

The profit and loss account for the parent company Ecoteq Energy ASA showed a loss for the year ended 31 December 2022 of MNOK 3.8 (2021 Loss MNOK 3.2).

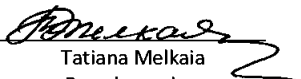
The Board propose to post the loss to accumulated losses.



Oslo, 26th May 2023


Raymond Gerald Bailey
Chairman


Lars-Erik Bengtsson
CEO


Tatiana Melkaia
Board member


Karar S. Doomey
Board member


Kari Hübner
Board member



Ecoteq Energy ASA

Consolidated Statement of Comprehensive Income for the year ended 31 December 2022

Amounts in NOK	Note	Group/ Parent 2022	Group 2021	Parent 2021
Operating revenues:				
Revenue		0	0	0
Intercompany revenue		139 972	211 251	211 251
Total revenues		139 972	211 251	211 251
Operating expenses:				
Employee expenses	3	361 921	359 313	359 313
Other operating expenses	3,4,5	1 951 665	1 489 400	1 480 092
Total operating expenses		2 313 586	1 848 713	1 839 405
Operating profit/(loss)		-2 173 615	-1 637 462	-1 628 154
Financial income and expenses:				
Financial income	6	0	10 836 766	0
Financial expenses	6	-1 653 949	-1 632 222	-1 616 624
Net foreign exchange gain (loss)		-4 520	59 313	1 884
Net financial items		-1 658 470	9 263 857	-1 614 740
Profit/ (loss) before income tax		-3 832 084	7 626 395	-3 242 894
Income tax expense (benefit)	7	0	-132 125	0
Profit/ (loss) for the year		-3 832 084	7 494 270	-3 242 894
Other comprehensive income		0	-83 685	0
Total comprehensive profit/ (loss) for the year		-3 832 084	7 410 585	-3 242 894
Weighted average number of ordinary shares - basic	10	1 516 333 220	1 479 145 808	
Weighted average number of ordinary shares - diluted	10	1 591 333 220	1 554 145 808	
Profit/ (loss) for the period per ordinary share - basic	10	0,00	0,01	
Profit/ (loss) for the period per ordinary share - diluted	10	0,00	0,00	
Total comprehensive profit/ (loss) per share - basic	10	0,00	0,01	
Total comprehensive profit/ (loss) per share - diluted	10	0,00	0,00	



Ecoteq Energy ASA
Consolidated Statement of Financial Position as at 31 December 2022

Amounts in NOK	Note	Group/ Parent 2022	Group 2021	Parent 2021
ASSETS				
Current assets				
Other receivables	8	383 363	36 590	27 709
Cash and cash equivalents		10 932	15 885	15 885
Total current assets		394 295	52 475	43 594
Total assets		394 295	52 475	43 594
SHARHOLDER'S EQUITY				
Share capital	9	22 332 239	14 791 458	14 791 458
Additional paid-in capital		1 407 084 002	1 390 494 284	1 390 494 284
Other paid-in capital		70 432 401	70 432 401	70 432 401
Other equity		-1 500 240 253	-1 496 578 895	-1 496 408 169
Total shareholder's equity	10	-391 611	-20 860 752	-20 690 026
LIABILITIES				
Current liabilities				
Convertible loan	11	0	18 089 490	18 089 490
Short-term loan	11	0	1 392 701	1 392 701
Trade payables		719 237	332 047	332 047
Taxes payable	7	0	135 510	0
Other taxes payable		18 511	19 222	19 222
Other current liabilities		48 158	944 257	900 160
Total current liabilities		785 906	20 913 227	20 733 620
Total liabilities		785 906	20 913 227	20 733 620
Total shareholder's equity and liabilities		394 295	52 475	43 594

Oslo, 26th May 2023


Raymond Gerald Baile
Chairman


Lars-Erik Bengtsson
CEO


Tatiana Melkaia
Board member


Karar S. Doomey
Board member


Kari Hübner
Board member



Ecoteq Energy ASA

Consolidated Statement of Cash Flows for the year ended 31 December 2022

Amounts in NOK	Note	Group/ Parent 2022	Group 2021	Parent 2021
Cash flow from operating activities				
Profit/(loss) before tax		-3 832 084	7 626 395	-3 242 894
Change in fair value of financial instruments		0	-70 372	0
Financial income	6	0	0	0
Financial expense	6	1 653 949	1 632 222	1 616 624
Foreign exchange gain/ (loss), net		4 520	-59 313	-1 884
Change in current assets		-355 654	196 134	205 015
Change current liabilities		-2 119 470	-12 031 312	-1 317 438
Net cash from operating activities		-4 648 739	-2 706 246	-2 740 577
Cash flow from financing activities				
Proceeds from new debt	11	4 648 307	2 736 412	2 736 412
Financial income	6	0	0	0
Financial expense	6	0	-15 598	0
Foreign exchange gain/ (loss), net		-4 521	-16 851	1 882
Net cash flow from financial activities		4 643 786	2 703 963	2 738 294
Net change in cash and cash equivalents		-4 953	-2 283	-2 283
Cash and cash equivalents begin. of period		15 885	18 168	18 168
Cash and cash equivalents end of the period		10 932	15 885	15 885



Ecoteq Energy ASA

Consolidated Statement of Changes in Equity for the year ended 31 December 2022

<u>Amounts in NOK</u>	<u>Share capital</u>	<u>Additional paid-in capital</u>	<u>Accumulated earnings</u>	<u>Total equity</u>
Balance as of 1.1.2022	14 791 458	1 460 926 685	-1 496 578 895	-20 860 752
Profit/(loss) for the period	0	0	-3 832 084	-3 832 084
Debt conversion	7 540 781	16 589 718	0	24 130 498
Effect of change in group structure	0	0	170 727	170 727
Balance as of 31.12.2022	22 332 239	1 477 516 403	-1 500 240 252	-391 611
Balance as of 1.1.2021	14 791 458	1 460 926 685	-1 504 073 165	-28 355 022
Profit/(loss) for the period	0	0	7 494 270	7 494 270
Other comprehensive income (loss)	0	0	0	0
Balance as of 31.12.2021	14 791 458	1 460 926 685	-1 496 578 895	-20 860 752

The accompanying notes are an integral part of these consolidated financial statements

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Note 1. Accounting policies and effect of new accounting standards

Ecoteq Energy ASA is a public limited company incorporated in Norway. The Company's main office is located in Professor Dahls gate 19A, 0353 Oslo. The list of subsidiaries is presented in Note 3.

In 2023 the Company changed its name to Ecoteq Energy ASA. The previous name was Aladdin Oil & Gas Company ASA.

Basis of preparation and going concern. These consolidated financial statements of Ecoteq Energy ASA (hereinafter, "the Company" or "the Parent Company") and its subsidiaries (together referred to as "the Group") have been prepared in accordance with the Norwegian Accounting Act §3-9 and the rules for simplified IFRS passed by the Norwegian Ministry of Finance on 21 January 2008. This requires that recognition and measurement is mainly performed according to International Financial Reporting Standards (IFRS) and presentation and notes to the financial statements are according to the Norwegian Accounting Act and Norwegian generally accepted accounting standards.

For 2022, only parent company Ecoteq Energy ASA is included in the financial statements, as all the Company's subsidiaries were sold in March 2023.

For 2021, all transactions and balances between subsidiaries are eliminated, and the financial statements are based on the financial statements of the individual entities which have been prepared using the same accounting policies. All entities have the same reporting date, 31 December 2021.

These consolidated annual financial statements were prepared on a going concern basis. There is at the date of these financial statements a reasonable expectation that the Group will have adequate resources to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Thus, the going concern basis of accounting has been adopted in preparing the financial statements.

Financial Objectives, Policies and Processes

The Company's financial objective is to address the need for capital in order to ensure the appropriateness of adopting the going concern basis for the preparation of the Company's accounts and to ensure liquidity in the business in both the short and the longer term. This is achieved by support from key shareholders with a short term objective of raising modest new capital to develop the Company's assets into profitability and in the longer term to identify and acquire by the issue of new capital further substantial assets.

Foreign currency. The Norwegian kroner (NOK) is the presentation currency for the Group's operations and functional currency of the Parent Company. The individual financial statements of each of the companies within the Group are prepared in the currency of the primary economic environment in which it operates (its functional currency). Financial statements of the UAE and Cyprus subsidiaries are measured in United States Dollar.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; exchange differences on transactions entered into in order to hedge certain foreign currency risks; For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into currency units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

Exchange differences on intercompany transactions with the predetermined maturity dates are recognized in income statement of the subsidiary which currency is other than the Parent's functional currency. If the intercompany balances

The accompanying notes are an integral part of these consolidated financial statements

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are not expected to be repaid, exchange differences are recognized in equity.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in equity.

Summary exchange rates used for translation are provided below:

	31 December 2022
Exchange rate as at reporting date	
NOK/USD	8.82
Average exchange rate	
NOK/USD	8.60

Property, plant and equipment. Property, plant and equipment are recorded at historical cost of acquisition and adjusted for accumulated depreciation, depletion and impairment. All subsequent additions are recorded at historical cost of acquisition or construction and adjusted for accumulated depreciation, depletion and impairment. The cost of property, plant and equipment includes provisions for dismantlement, abandonment and site restoration.

The Group accounts for exploration and evaluation activities in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources*. Geological and geophysical exploration costs are charged against income as incurred. Costs directly associated with an exploration well are initially capitalised as an exploration and evaluation assets (E&E) until the drilling of the well is complete and the results have been evaluated. If oil and gas are not found, the exploration expenditure is written off as a dry hole. If oil and gas are found and, subject to further appraisal activity, which may include the drilling of further wells (exploration or exploratory-type stratigraphical test wells), are likely to be capable of commercial development, the costs continue to be carried as an asset. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written-off. When proved reserves of oil and natural gas are determined and development is sanctioned, the relevant expenditure is transferred to the oil and gas properties and an impairment review of the property is undertaken at that time.

Development and production assets are accumulated generally on a field-by-field basis and represent the cost of developing the commercial reserves discovered and bringing them to production together with E&E expenditures incurred in finding commercial reserves and transferred from the E&E assets described above. The cost of development and production assets also include the costs of acquisitions and purchases of such assets, directly attributable overheads, finance costs capitalised and the costs of recognising provisions for future restoration and decommissioning.

Depletion of capitalized costs of proved oil and gas properties is calculated using the unit-of-production method for each field based upon proved reserves for property acquisitions and proved developed reserves for development costs.

Depreciation of non-oil and gas property, plant and equipment is calculated using the straight-line method over their estimated remaining useful lives.

Useful lives of the assets that are depreciated by the straight-line method, in years, were as follows:

Type of facility	Years
Other property, plant and equipment	3-15

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other expense' in the consolidated statement of comprehensive income.

Licenses. The Group measures licences at cost less accumulated amortisation and impairment losses. Licences are amortised using the unit-of-production method for each field based upon proved reserves for property acquisitions.

Provisions. Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions, including those related to dismantlement, abandonment and site restoration, are evaluated and re-estimated annually, and are included in the consolidated financial statements at each reporting date at the present value of the expenditures expected to be required to settle the obligation using pre – tax discount rates which reflect



the current market assessment of the time value of money and the risks specific to the liability.

Changes in provisions resulting from the passage of time are reflected in the consolidated statement of comprehensive income each year under financial items. Other changes in provisions, relating to a change in the expected pattern of settlement of the obligation, changes in the discount rate or in the estimated amount of the obligation, are treated as a change in accounting estimate in the period of the change. Changes in provisions relating to dismantlement, abandonment and site restoration are added to, or deducted from, the cost of the related asset in the current period. The amount deducted from the cost of the asset should not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in profit or loss.

The provision for dismantlement liability is recorded on the consolidated statement of financial position, with a corresponding amount being recorded as part of property, plant and equipment.

Impairment of assets. Assets that are subject to depreciation and depletion are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped by license areas, which are the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Inventories. Inventories are recorded at the lower of cost and net realisable value. Cost of inventory is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

Financial instruments. The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – recognition and derecognition

The Group initially recognises loans and receivables and debt securities issued on the date that they are originated. All other financial assets and financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss -category if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Loans and receivables

Loans and receivables are a category of financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid investments with maturities of three months or less from the acquisition date that are subject to insignificant risk of changes in their fair value.

The accompanying notes are an integral part of these consolidated financial statements



In the statement of cash flows, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised or impaired, the cumulative gain or loss in other comprehensive income is reclassified to profit or loss for the period. Unquoted equity instruments whose fair value cannot reliably be measured are carried at cost.

(ii) Non-derivative financial liabilities - measurement

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings as well as trade and other payables.

(iii) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Value added tax. Output value added tax related to sales is payable to tax authorities on the earlier of (a) collection of receivables from customers or (b) delivery of goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognized in the consolidated balance sheet on a gross basis and disclosed separately as an asset and liability. Where provision has been made for impairment of receivables, impairment loss is recorded for the gross amount of the debtor, including VAT.

Borrowings. Borrowings are recognized initially at the fair value of the liability, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between amount at initial recognition and the redemption amount is recognized as interest expense over the period of the borrowings. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least Year ended after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial time to get ready for intended use or sale (qualifying assets) are capitalised as part of the costs of those assets.

The commencement date for capitalisation is when (a) the Group incurs expenditures for the qualifying asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

Capitalisation of borrowing costs continues up to the date when the assets are substantially ready for their use or sale.



The Group capitalises borrowing costs that could have been avoided if it had not made capital expenditure on qualifying assets. Borrowing costs capitalised are calculated at the group's average funding cost (the weighted average interest cost is applied to the expenditures on the qualifying assets), except to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. Where this occurs, actual borrowing costs incurred less any investment income on the temporary investment of those borrowings are capitalized.

Warrants (subscription rights). Warrants are equity instrument that allow the holder to subscribe for or purchase a fixed number of ordinary shares in the issuing entity in exchange for a fixed amount of cash or another financial asset. Warrants are initially recognized at fair value less issue cost as part of equity.

Prepayments. Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Group has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Group. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognized in profit or loss.

Revenue. The Group recognizes revenue when the amount of revenue can be reliably measured and it is probable that economic benefits will flow to the entity, typically when oil and gas are dispatched to customers and title has transferred. Gross revenues exclude value added taxes.

Income taxes. Income taxes have been provided for in the financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised in the same or a different period, in other comprehensive income or directly in equity.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using the applicable tax rate that has been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss, whether in other comprehensive income or directly in equity, in which case the tax is recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax movements are recorded in the income statement except when they are related to the items directly charged to the shareholders' equity. In this case deferred taxes are recorded as part of the shareholders' equity.

Critical accounting judgements. The preparation of consolidated financial statements in conformity with IFRS requires



the Group management to make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates. Information about areas of judgment and key sources of uncertainty and estimation is contained in the accounting policies and / or the notes to the consolidated financial statements.

The following are the key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Net realizable value of inventories

In determining the net realizable value of inventories, the Group estimates the selling prices, based on published market rates, cost of completion and cost to sell. To the extent that future events impact the saleability of inventory these provisions could vary significantly.

Estimated reserves, resources and exploration potential

Reserves are estimates of the amount of product that can be extracted from the Group's properties, considering both economic and legal factors. Calculating reserves and estimates requires decisions on assumptions about geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, prices and exchange rates.

Impairment of licences, property, plant and equipment

For the purpose of determining the recoverable amount of assets or cash generating units, estimates are made of the discount rate. Future cash flow estimates are based on expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves, operating costs, restoration and rehabilitation costs and future capital expenditures. The Group management is required to make these estimates and assumptions which are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the asset may be impaired and the impairment would be recognized in the consolidated income statement.

Expected economic lives of, estimated future operating results

In applying the units of production method, depreciation is normally calculated using the quantity of material extracted from the well in the period as a percentage of the total quantity of material to be extracted in current and future periods based on proven and probable reserves.

In assessing the life of a well for accounting purposes, mineral resources are only taken into account where there is a high degree of confidence of economic extraction.

Valuation of Financial Assets

The valuation of the Company's investments are subject to key sources of estimation uncertainty which may be material and which comprise, inter alia, reliance on information supplied by investee companies which comprise their plans and programmes for the development of their assets, reliance on various reports and valuations which were not prepared for the Company but which are relevant in estimating value and key assumptions concerning discount rates, exchange rates and the future price of oil and gas.

Note 2. Application of new IFRSs

There has not been any new or amended IFRS standards effective from 2022 with material impact to the group accounts.



Note 3. Employee expenses and remuneration

Amounts in NOK

	Group/ Parent 2022	Group 2021	Parent 2021
Salaries	308 000	308 000	308 000
Social security tax	44 277	44 277	44 277
Other benefits	9 644	7 036	7 036
Other staff costs	-	-	-
Total employee expenses	361 921	359 313	359 313

Ecoteq Energy ASA had 3 employees at the end of 2022 (3 employees as of the end of 2021).

The parent company is required to have a pension arrangement in accordance with the Mandatory Service Pension Act. The parent company's pension arrangement is in accordance with the requirements of the Act.

Information on remuneration type of key management personal is provided below:

Amounts in NOK	Title	From	To	Salary	Remuneration	Other expenses
Year ended 31 December 2022						
Harald Sætvedt ¹⁾	CEO of Ecoteq	1.1.2022	31.12.2022	-	1 154 320	-
Tatiana Melkaia	Board member	1.1.2022	31.12.2022	308 000	-	9 644
Total				308 000	1 154 320	9 644

¹⁾ Harald Sætvedt is engaged as consultant through his company Alpine Resources AS.

See note 12 for freestanding subscription rights (warrants) issued to board and the CEO.

Note 4. Compensation to auditors

Amounts in NOK

	Group/ Parent 2022	Group 2021	Parent 2021
Statutory work	55 000	125 463	89 218
Other assurance services	30 000	0	0
Total compensation to auditors	85 000	125 463	89 218

Note 5. General and administrative expenses

Amounts in NOK

	Group/ Parent 2022	Group 2021	Parent 2021
Consulting costs	1 268 554	896 166	1 001 954
Rent	0	23 600	23 600
Allowance for doubtful debts	341 804	254 114	324 486
Other administrative expenses	341 308	315 519	130 052
Total general and administrative expenses	1 951 665	1 489 399	1 480 092

The accompanying notes are an integral part of these consolidated financial statements



Note 6. Financial income and expense

Amounts in NOK

	Group/ Parent 2022	Group 2021	Parent 2021
Financial income:			
Reversal of accrual	0	10 836 766	0
Total	0	10 836 766	0

	Group/ parent 2022	Group 2021	Parent 2021
Financial expense:			
Interest expense	1 653 949	1 632 222	1 616 624
Total	1 653 949	1 632 222	1 616 624

Note 7. Income tax

Amounts in NOK

	Group/ Parent 2022	Group 2021	Parent 2021
Tax expense			
Tax payable	0	-132 125	0
Change in deferred tax	0	0	0
Tax benefit/ (expense)	0	-132 125	0

A reconciliation between the expected and actual income tax expense is provided below:

	Group/ Parent 2022	Group 2021	Parent 2021
Profit/ Loss before income tax	-3 892 084	7 626 396	-3 242 895
Theoretical tax charge at tax rate 22% applicable to Parent Company	856 258	-1 677 807	-713 437
Effect of tax rates in different jurisdictions	0	1 013	
Other unrecognised deferred (income)/expense tax asset movements	-856 258	1 544 669	713 437
Total income tax (expense) / benefit	0	-132 125	0

	Group/ Parent 2022	Group 2021	Parent 2021
Temporary differences:			
Shares in associated companies	-1 380 268 018	-1 380 268 018	-1 380 268 018
Loans to associated companies	-75 533 684	-1 850 508	-75 191 880
Tax losses to be carried forward	-18 972 363	-15 482 082	-15 482 082
Total temporary differences	-1 474 774 064	-1 397 600 608	-1 470 941 980
Basis deferred tax	-1 474 774 064	-1 397 600 608	-1 470 941 980
Deferred tax (liability)/ asset	324 450 294	307 472 134	323 607 236
Deferred tax asset not recognized in the balance sheet	324 450 294	307 472 134	323 607 236

There is no expiry on losses carried forward.

The accompanying notes are an integral part of these consolidated financial statements



Note 8. Other receivables

Amounts in NOK

	Group/ Parent 2022	Group 2021	Parent 2021
VAT recoverable and prepaid	383 363	27 709	27 709
Other receivables	0	8 881	0
Total other receivables	383 363	36 590	27 709

Note 9. Share capital

	31 December 2022	31 December 2020
Number of issued ordinary shares	2 233 223 845	1 479 145 808
Par value (in NOK)	0.01	0.01

Fully paid-in ordinary share capital

	Number of shares registered
Balance at 1 January 2021	1 479 145 808
-	-
Balance at 31 December 2021	1 479 145 808
Conversion of debt in December 2022	754 078 075
Balance at 31 December 2022	2 233 223 883

Company's 10 largest shareholders as of 31 December 2022:

Name	Type	Number of shares	Country	% ownership
SIX SIS AG	NOM	536 635 538	Switzerland	36 %
Union Bancaire Privee, UBP SA	NOM	521 159 054	Switzerland	35 %
CACEIS Bank	NOM	155 942 000	Switzerland	11 %
Pershing LLC	NOM	58 140 012	USA	4 %
CLEARSTREAM BANKING S.A.	NOM	40 161 919	Luxembourg	3 %
Citibank Europe plc	NOM	36 450 000	Ireland	2 %
NORGESKRAFT AS		31 036 385	Norway	2 %
HÅPET INVEST AS		13 030 382	Norway	1 %
WITWATERSRAND AS		10 219 434	Norway	1%
A. S. M. INVESTMENTS (UK) LTD.		8 900 000	United Kingdom	1 %
Subtotal		1 411 674 724		96 %
Other shareholders		67 471 084		4 %
Total issued shares as of 31.12.2022		1 479 145 808		100 %

Warrants:

The Company has established warrant programs that entitles key management personnel and members of the Board of Directors to purchase shares in the Company. In 2019, 15,000,000 warrants were issued with strike price of NOK 0.15, exercisable between 26.06.19 and 26.06.23. In 2020, the program was increased with 60,000,000 warrants with strike price of NOK 0.05. At the same time, strike price for warrants issued in 2019 was changed to NOK 0.05. None of the warrants were exercised as per 31 December 2022.

The accompanying notes are an integral part of these consolidated financial statements



Name	Number of warrants
Rashid M. Ibrahim	18 500 000
Tatiana Melkaia	12 375 000
Abdul Kareem Al Mutawa	12 375 000
Kristina Stehling	12 375 000
Harald Sætvedt	17 375 000
Henrik Wold v/Witwaterstrand AS	1 000 000
Oliviera Ilncic	1 000 000
Total issued warrants as of 31 December 2022	75 000 000

Note 10. Earnings per share

Amounts in NOK

	Year ended 31 December 2022	Year ended 31 December 2021
Profit/ (loss) for the period	-3 832 084	7 494 271
Total comprehensive income	-3 832 084	7 410 585
Weighted average number of ordinary shares - basic	1 516 333 220	1 479 145 770
Effect of warrants (subscription rights)	75 000 000	75 000 000
Weighted average number of ordinary shares - diluted	1 591 333 220	1 554 145 770
Profit/ (loss) for the period per ordinary share - basic	0.000	0.005
Profit/ (loss) for the period per ordinary share - diluted	0.000	0.005
Total comprehensive profit/ (loss) per share - basic	0.000	0.005
Total comprehensive profit/ (loss) per share - diluted	0.000	0.005

Note 11. Borrowings

(Thousand NOK)	Nominal rate of interest	Group/ Parent 2022	Group 2021	Parent 2021
Convertible loan	10%	0	18 089 490	18 089 490
Short term loans	0-5%	0	1 392 701	1 392 701
Total borrowings		0	19 482 191	19 482 191

The Company signed in June 2019 a loan agreement with Levant Consultants LLP ("Levant"), for a convertible loan to be used for the execution of the Company's business plan. The Company had also issued a loan to Winrose International Limited. Both loans were converted to equity in December 2022.

Note 12. Related party transactions

Shares and warrants held by members of the Board and CEO, as at 31 December:

Name		Shares		Warrants	
		2021	2020	2021	2020
Mr. Rashid Ibrahim	Chairman	-	-	18,500,000	18,500,000
Mr. Abdulkareem Al Mutawa	Board member	64,340,000	64,340,000	12,375,000	12,375,000
Mrs. Kristina Stehling	Board member	-	-	12,375,000	12,375,000
Mrs. Tatiana Melkaia	Board member	-	-	12,375,000	12,375,000
Mr. Harald Sætvedt	CEO	440,000	440,000	17,375,000	17,375,000
Total		64,340,000	64,340,000	73,000,000	73,000,000

The accompanying notes are an integral part of these consolidated financial statements



Note 13. Financial risk management

The Company and the Group are exposed to credit risk, liquidity risk, interest rate risk, foreign exchange risk and operational risk for the financial instruments the Company and Group have. The Company and the Group does not use derivative financial instruments in connection with management of financial risk management.

Credit risk. The Company has significant credit risk attached to its loans to subsidiaries. The subsidiaries are involved in oil and gas extraction and their ability to repay the loans is dependent on the inherent risk in the subsidiaries operations.

Liquidity risk. Most of financial liabilities of the Company and the Group are short-term. The Company and the Group liquidity risk relates to the possibility for future access to necessary funding. Reasonable liquidity risk management will include maintaining certain level of adequacy of cash and liquid assets.

Interest risk. The Company and the Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Group does not have a policy of hedging interest rate risk.

Currency risk. The Company and the Group are exposed to the fluctuations in foreign exchange rates. The Company and the Group has not entered into any hedge agreement to manage the risk as of 31 December 2022 and 31 December 2021.

Note 14. Investment in associated companies

Company	Registered office	Voting share / Ownership	Book value 31.12.21 (MNOK)
Culebra Holding Limited	Cyprus	33.4%	-

Note 15. Investment in associated companies

Company	Date of acquisition	Registered office	Voting share / Ownership
Larchbay Traders & Consultants Ltd.	18.07.2006	Cyprus	100%
Select Investments Limited	19.03.2015	UAE	100%

As of 31 December 2022 the full amount of investments into Larchbay Traders & Consultants Ltd. and Select Investments Limited are impaired.

Note 16. Events after the reporting period

In an extraordinary general meeting 31 March 2023, the following resolutions were passed:

- Decrease of the share capital from NOK 22 332 240 by NOK 16 749 180 to NOK 5 583 060 through a reduction of the nominal value of the Company's shares to NOK 5.
- The Board decided in 2022 to propose a purchase of 100% of the shares in Valkor Environmental LLC ("Valkor") for the AGM. Valkor owns 6 parcels in Uintah County in Utah, a license to extract oil as well as a license to use the extraction technology of Petroteq Energy Inc. The company has 2P reserves corresponding to approx. 121 million BOE. The company was owned by Global Commodities Business Partners Ltd ("GCBP") and after the acquisition, GCBP through its shareholders is now Ecoteq's largest shareholder. The purchase price was NOK 2 624 964 120 and was settled with new shares in Ecoteq. The shares were issued at NOK 9 per share each with a face value of NOK 5.
- In order to secure an additional upside for the existing shareholders, the general meeting decided to issue 5 583 060 warrants to shareholders of the Company as per the date of the general meeting. No consideration is to

The accompanying notes are an integral part of these consolidated financial statements



be paid for the warrants. Subscription price is NOK 9 per share, and notice of exercise must be given no later than 31st March 2025.

- Divest all of the Company's shares in Aladdin, Culebra, Larchbay and Select to Saur International LLP against a consideration of USD 100.
- Election of new Board of Directors:
 - Raymond Gerald Bailey, chairman
 - Tatiana Melkaia
 - Karar S. Doomey
 - Kari Hübner

- A Private Placement was proposed by the Board, the share capital of Ecoteq Energy ASA shall be increased by NOK 5 508 000 by subscription of 612 000 shares, each of a nominal value of NOK 5, the subscription price was NOK 9 per share. The Private Placement were fully subscribed by Santana in Stockholm AB.

In March 2023, Lars Erik Bengtsson was appointed as CEO in the Company.



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To the General Meeting of
Ecoteq Energy ASA

Independent Auditor's Report

Opinion

We have audited the financial statements of Ecoteq Energy ASA (the Company) showing a loss of NOK 3 832 084. The financial statements comprise the balance sheet as at December 31, 2022, the income statement, statement of comprehensive 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 the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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' 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) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. 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 Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report 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, it is our opinion that 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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, 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 unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We 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 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 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 a true and fair view.

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

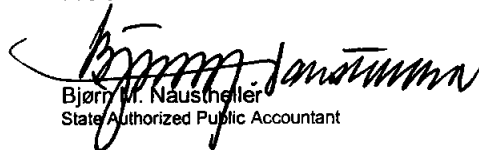


Other Matters

Regarding subsequent events, the Board of Director's report and note 16 to the Financial Statements refer to the Company's capital increase in 2023. We emphasize that the attestation assignment concerning the capital increase was performed by an independent audit firm with no relation to Moore AS.

Oslo, May 26, 2023

MOORE AS



Bjørn M. Nausthøier
State Authorized Public Accountant