



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	991 139 796
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	CALYSTA AS
Forretningsadresse:	Professor Olav Hanssens vei 15 4021 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2019 - 31.12.2019
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Konsern

Morselskap 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:	Arild Johannessen
Dato for fastsettelse av årsregnskapet:	23.03.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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, 19.11.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	2	604 505	701 998
Sum kostnader		604 505	701 998
Driftsresultat		-604 505	-701 998
Finansinntekter og finanskostnader			
Annen renteinntekt		67	100
Other financial income	5	-2 155	1 570 432
Sum finansinntekter		-2 088	1 570 532
Rentekostnad til foretak i samme konsern	5		131 352
Annen rentekostnad			1 331
Sum finanskostnader			132 683
Netto finans		-2 088	1 437 849
Ordinært resultat før skattekostnad		-606 593	735 851
Tax on ordinary result	4		
Ordinært resultat etter skattekostnad		-606 593	735 851
Årsresultat		-606 593	735 851
Årsresultat etter minoritetsinteresser		-606 593	735 851
Totalresultat		-606 593	735 851
Overføringer og disponeringer			
Allocated to/from other equity	6	-606 593	735 851
Sum overføringer og disponeringer		-606 593	735 851



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4		
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Cash and bank deposits	3	93 582	243 956
Sum bankinnskudd, kontanter og lignende		93 582	243 956
Sum omløpsmidler		93 582	243 956
SUM EIENDELER		93 582	243 956
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6, 7, 8	1 539 890	1 399 900
Overkurs	6, 8	11 359 269	4 992 720
Sum innskutt egenkapital		12 899 159	6 392 620
Opptjent egenkapital			
Other equity	6, 8	-16 714 012	-16 107 419
Sum opptjent egenkapital		-16 714 012	-16 107 419
Sum egenkapital		-3 814 853	-9 714 799
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4		



Balanse

Beløp i: NOK	Note	2019	2018
Annen langsiktig gjeld			
Long term loan from group companies	5	3 841 723	6 506 539
Sum annen langsiktig gjeld		3 841 723	6 506 539
Sum langsiktig gjeld		3 841 723	6 506 539
Kortsiktig gjeld			
Leverandørgjeld		66 712	120 493
Tax payable	4		
Other current debt	5		3 331 724
Sum kortsiktig gjeld		66 712	3 452 217
Sum gjeld		3 908 435	9 958 756
SUM EGENKAPITAL OG GJELD		93 582	243 956



Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 12.02.2016	Vår dato 01.03.2016
Telefon 977 59 464	Deres referanse Arlid Johannessen	Vår referanse 2016/135745

CALYSTA AS
Postboks 8046
4068 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Calysta AS med datterselskap

- Vi viser til deres brev av 27. januar 2016 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Calysta AS, org.nr. 991 139 796 og
Bioprotein International AS, org.nr. 993 362 913.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskapene 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.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra deres søknad gjengis:

Selskapet Bioprotein International AS (org. nr. 993 362 913) er et 100% eid selskap av Calysta AS (org. nr. 991 139 796) som igjen er 100% eid av det amerikanske selskapet Calysta Inc. Calysta Inc. er eneste långiver til de to selskapene.

Styret i både Bioprotein International AS og Calysta AS har et amerikansk medlem som ikke behersker norsk. Selskapenes eneste ansatte er daglig leder og han er flytende i engelsk. Selskapene driver forskning og utvikling og har et begrenset antall kunder og leverandører. Alle kunder og leverandører er i bedriftsmarkedet.

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."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse: Se www.skatteetaten.no Org.nr: 996250318 E-post: skatteetaten.no/sendepost	Sentralbord 800 80 000 Telefaks 22 17 08 60
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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 skjævt 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 kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er direkte og indirekte 100 % eiet av et utenlandsk selskap og at eierkretsen dermed er begrenset. Videre er det vektlagt at selskapenes styre har et amerikansk medlem som ikke behersker norsk, samt at alle kunder og leverandører er i bedriftsmarkedet.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



Financial statements

2019

Calysta AS

Org.nr.:991 139 796



ANNUAL REPORT 2019 FOR CALYSTA AS

BUSINESS ACTIVITY

Calysta AS develops and commercializes gas based fermentation technology for production and bioprotein derivatives and high value products based on recombinant technology. The company's office is located in the Municipality of Stavanger.

CONTINUED OPERATIONS

In accordance with the Accounting Act § 4-5 it is confirmed that the assumption for going concern are in place. The company will need funding from the parent company during 2020 to cover the operating expenses and the board believe the parent company will provide such funding. The company have patent rights that the board believe will generate significant income in the future. The board further consider the value of the IP in the company to exceed the negative equity position as stated in the 2019 accounts. Calysta Inc. works in cooperation with Calysta AS for developing international licensing opportunities. The debt of the company are mainly to the parent company Calysta Inc.

EQUAL OPPORTUNITIES

The company has no employees. The board consists of two men and no women. The board has not found it necessary to take special actions with regard to equality opportunities.

ENVIRONMENTAL ISSUES

The company's operations do not pollute the environment.

COMMENTS ON THE FINANCIAL STATEMENTS

The Board believes that the accounts give a true and fair view of the assets and liabilities, financial position and income.

Stavanger, 23.03.2020
The board of Calysta AS

Graham Ian Ayles
member of the board

George Blake Campbell
chairman of the board



INCOME STATEMENT

CALYSTA AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2019	2018
Other operating expenses	2	604 505	701 998
Total operating expenses		604 505	701 998
Operating loss		-604 505	-701 998
FINANCIAL INCOME AND EXPENSES			
Other interest income		67	100
Other financial income	5	-2 155	1 570 432
Interest expense to group companies	5	0	131 352
Other interest expenses		0	1 331
Net financial items		-2 088	1 437 849
Operating result before tax		-606 593	735 851
Ordinary result after tax		-606 593	735 851
Annual net profit/loss(-)		-606 593	735 851
ALLOCATED AS FOLLOWS			
Allocated to/from other equity	6	-606 593	735 851
Total allocation and equity transfers		-606 593	735 851



BALANCE SHEET STATEMENT

CALYSTA AS

ASSETS	Note	2019	2018
CURRENT ASSETS			
DEBTORS			
Cash and bank deposits	3	93 582	243 956
Total current assets		93 582	243 956
Total assets		93 582	243 956

CALYSTA AS

SIDE 4



BALANCE SHEET STATEMENT

CALYSTA AS

EQUITY AND LIABILITIES	Note	2019	2018
PAID-IN CAPITAL			
Share capital	6, 7, 8	1 539 890	1 399 900
Share premium reserve	6, 8	11 359 259	4 992 720
Total paid-in capital		12 899 159	6 392 620
RETAINED EARNINGS			
Other equity	6, 8	-16 714 012	-16 107 419
Total retained earnings		-16 714 012	-16 107 419
Total equity		-3 814 853	-9 714 799
LIABILITIES			
OTHER LONG-TERM LIABILITIES			
Long term loan from group companies	5	3 841 723	6 506 539
Total of other long term liabilities		3 841 723	6 506 539
CURRENT DEBT			
Trade creditors		66 712	120 493
Other current debt	5	0	3 331 724
Total current debt		66 712	3 452 217
Total liabilities		3 908 435	9 958 756
Total equity and liabilities		98 582	248 956

Stavanger, 23.03.2020
The board of Calysta AS

Graham Ian Ayleen
member of the board

George Blake Campbell
chairman of the board



CALYSTA AS
NOTES FOR ANNUAL ACCOUNTS 2019

ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Accounting Act. It is prepared based on Norwegian accounting standards. The company follow exemption rules for small companies.

OPERATING INCOME AND EXPENSES

The revenue is recognized in the income statement based on time of earning which would normally be the time of delivery of goods and services. Costs are included based on the matching principle signifying the costs are included in the same period as the related revenue is recognized.

VALUATION AND CLASSIFICATION OF ASSETS AND LIABILITIES

Assets intended for long-term ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables due within one year classified as current assets. Analogous criteria are applied for classification of current and non-current liabilities.

Current assets are valued at the lower of cost and net realizable value. Current liabilities are recognized at the nominal amount received at the time of establishment.

Some items are valued by other criteria. The items in question will be the items discussed below.

CURRENCY

Monetary items denominated in foreign currencies are exchanged at the currency exchange rate of the date of the balance sheet. Assets and liabilities that are hedged with forward exchange contracts are valued at the contract rate, with the exception of the interest element that is recognized and classified as interest income / expenses.

RECEIVABLES

Trade and other receivables are recorded at nominal value less provision for expected loss. Provisions for loss are made on an individual assessment of each receivable. For the remainder of the receivables an additional unspecified provision is made to cover expected losses.

TAX

Tax in the income statement includes both payable taxes and changes in deferred tax. Deferred tax is calculated at 22 % based on the temporary differences between accounting and tax values including tax loss carry forwards at the end of the fiscal year. Taxable and deductible temporary differences that reverse or may reverse in the same period are netted. Deferred tax assets are not capitalized.



CALYSTA AS NOTES FOR ANNUAL ACCOUNTS 2019

Note 2 Wages and salaries

The company has no employees, and is not obliged to have defined contribution schemes.

It is not paid directors' fees for 2019.

AUDITOR

Auditors' fee for 2019 NOK 66 875.

Fees for other services is NOK 142 234.

Note 3 Restricted bank deposits

	2019	2018
Restricted bank deposits	272	272

Note 4 Skatt - rapportnote

This year's tax expense	2019	2018
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0
Taxable income:		
Ordinary result before tax	-606 593	735 851
Permanent differences	0	-1 879 442
Changes in temporary differences	0	-94 252
Taxable income	-606 593	-1 237 842
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

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

	2019	2018	Difference
Accumulated loss to be brought forward	-22 066 744	-21 460 151	606 593
Not included in the deferred tax calculation	22 066 744	21 460 151	-606 592
Basis for deferred tax assets	0	0	0
Deferred tax assets (22 %)	0	0	0

Deferred tax is not booked to the balance sheet



CALYSTA AS NOTES FOR ANNUAL ACCOUNTS 2019

Note 5 Intercompany balances

Debt	2019	2018
Long term debt Calysta Inc	3 692 591	6 506 539
Long term debt Calysta Ltd	149 133	0
Short term debt Calysta Ltd	0	149 133
Short term debt Calysta Inc	0	3 167 591
Sum	3 841 724	9 823 262

Note 6 Equity

	Share capital	Share premium	Other capital	Total equity
As of Jan 1. 2019	1 399 900	4 992 720	-16 107 419	-9 714 799
Debt conversion to share capital	139 990	6 366 549	0	6 506 539
Profit for the year	0	0	-606 593	-606 593
As of Dec 31. 2019	1 539 890	11 359 269	-16 714 012	-3 814 853

Note 7 Shareholders

THE SHARE CAPITAL IN CALYSTA AS AS OF 31.12 CONSISTS OF:

	Total	Face value	Entered
Ordinary shares	13 999	110,00	1 539 890
Total	13 999		1 539 890

OWNERSHIP STRUCTURE

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Calysta Inc.	13 999	100,0	100,0
Total number of shares	13 999	100,0	100,0



CALYSTA AS
NOTES FOR ANNUAL ACCOUNTS 2019

Note 8 Going concern

In accordance with the Accounting Act § 4-5 it is confirmed that the assumption for going concern are in place. The company will need funding from the parent company during 2020 to cover the operating expenses and the board believe the parent company will provide such funding. The company have patent rights that the board believe will generate significant income in the future. The board further consider the value of the IP in the company to exceed the negative equity position as stated in the 2019 accounts. Calysta Inc. works in cooperation with Calysta AS for developing international licensing opportunities. All debt of the company mainly to the parent company Calysta Inc.

The annual accounts are prepared under assumption of continued operations.

Group accounts can be obtained from the group parent at address

Calysta Inc.
1140 O'Brien Drive, Suite A
Menlo Park, CA 94025
USA



KPMG AS
Forusparken 2
Postboks 57
4064 Stavanger

Telephone +47 04063
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Calysta AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Calysta AS showing a loss of NOK 606 593. The financial statements comprise the balance sheet as at 31 December 2019, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2019, and 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws and regulations, 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.

Material Uncertainty Related to Going Concern

The company states in Note 8 and in the Board of Directors' report that the company will need funding from the parent company to cover operating expenses in 2019. These matters and other circumstances that are stated in Note 8 and in the Board of Directors' report indicate that there is substantial uncertainty that may create doubt as to whether or not the going concern assumption is present. This matter does not affect our opinion on the financial statements.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or 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.

Offices in:

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Stord
Alta	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund



Independent auditor's report – 2019
Calysta AS

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors (management) is responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements 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. The financial statements use 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.



Independent auditor's report – 2019
Calysta AS

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Stavanger, 4. June 2020
KPMG AS

Monica Rosnes
State Authorised Public Accountant



Financial statements

2019

Calysta AS

Org.nr.:991 139 796



ANNUAL REPORT 2019 FOR CALYSTA AS

BUSINESS ACTIVITY

Calysta AS develops and commercializes gas based fermentation technology for production and bioprotein derivatives and high value products based on recombinant technology. The company's office is located in the Municipality of Stavanger.

CONTINUED OPERATIONS

In accordance with the Accounting Act § 4-5 it is confirmed that the assumption for going concern are in place. The company will need funding from the parent company during 2020 to cover the operating expenses and the board believe the parent company will provide such funding. The company have patent rights that the board believe will generate significant income in the future. The board further consider the value of the IP in the company to exceed the negative equity position as stated in the 2019 accounts. Calysta Inc. works in cooperation with Calysta AS for developing international licensing opportunities. The debt of the company are mainly to the parent company Calysta Inc.

EQUAL OPPORTUNITIES

The company has no employees. The board consists of two men and no women. The board has not found it necessary to take special actions with regard to equality opportunities.

ENVIRONMENTAL ISSUES

The company's operations do not pollute the environment.

COMMENTS ON THE FINANCIAL STATEMENTS

The Board believes that the accounts give a true and fair view of the assets and liabilities, financial position and income.

Stavanger, 23.03.2020

The board of Calysta AS

Graham Ian Ayleen
member of the board

George Blake Campbell
chairman of the board



INCOME STATEMENT

CALYSTA AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2019	2018
Other operating expenses	2	604 505	701 998
Total operating expenses		604 505	701 998
Operating loss		-604 505	-701 998
FINANCIAL INCOME AND EXPENSES			
Other interest income		67	100
Other financial income	5	-2 155	1 570 432
Interest expense to group companies	5	0	131 352
Other interest expenses		0	1 331
Net financial items		-2 088	1 437 849
Operating result before tax		-606 593	735 851
Ordinary result after tax		-606 593	735 851
Annual net profit/loss(-)		-606 593	735 851
ALLOCATED AS FOLLOWS			
Allocated to/from other equity	6	-606 593	735 851
Total allocation and equity transfers		-606 593	735 851

CALYSTA AS

SIDE 3



BALANCE SHEET STATEMENT

CALYSTA AS

ASSETS	Note	2019	2018
CURRENT ASSETS			
DEBTORS			
Cash and bank deposits	3	93 582	243 956
Total current assets		93 582	243 956
Total assets		93 582	243 956

CALYSTA AS

SIDE 4



BALANCE SHEET STATEMENT

CALYSTA AS

EQUITY AND LIABILITIES	Note	2019	2018
PAID-IN CAPITAL			
Share capital	6, 7, 8	1 539 890	1 399 900
Share premium reserve	6, 8	11 359 269	4 992 720
Total paid-in capital		12 899 159	6 392 620
RETAINED EARNINGS			
Other equity	6, 8	-16 714 012	-16 107 419
Total retained earnings		-16 714 012	-16 107 419
Total equity		-3 814 853	-9 714 799
LIABILITIES			
OTHER LONG-TERM LIABILITIES			
Long term loan from group companies	5	3 841 723	6 506 539
Total of other long term liabilities		3 841 723	6 506 539
CURRENT DEBT			
Trade creditors		66 712	120 493
Other current debt	5	0	3 331 724
Total current debt		66 712	3 452 217
Total liabilities		3 908 435	9 958 756
Total equity and liabilities		93 582	243 956

Stavanger, 23.03.2020
The board of Calysta AS

Graham Ian Ayleen
member of the board

George Blake Campbell
chairman of the board



CALYSTA AS **NOTES FOR ANNUAL ACCOUNTS 2019**

ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Accounting Act. It is prepared based on Norwegian accounting standards. The company follow exemption rules for small companies.

OPERATING INCOME AND EXPENSES

The revenue is recognized in the income statement based on time of earning which would normally be the time of delivery of goods and services. Costs are included based on the matching principle signifying the costs are included in the same period as the related revenue is recognized.

VALUATION AND CLASSIFICATION OF ASSETS AND LIABILITIES

Assets intended for long-term ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables due within one year classified as current assets. Analogous criteria are applied for classification of current and non-current liabilities.

Current assets are valued at the lower of cost and net realizable value. Current liabilities are recognized at the nominal amount received at the time of establishment.

Some items are valued by other criteria. The items in question will be the items discussed below.

CURRENCY

Monetary items denominated in foreign currencies are exchanged at the currency exchange rate of the date of the balance sheet. Assets and liabilities that are hedged with forward exchange contracts are valued at the contract rate, with the exception of the interest element that is recognized and classified as interest income / expenses.

RECEIVABLES

Trade and other receivables are recorded at nominal value less provision for expected loss. Provisions for loss are made on an individual assessment of each receivable. For the remainder of the receivables an additional unspecified provision is made to cover expected losses.

TAX

Tax in the income statement includes both payable taxes and changes in deferred tax. Deferred tax is calculated at 22 % based on the temporary differences between accounting and tax values including tax loss carry forwards at the end of the fiscal year. Taxable and deductible temporary differences that reverse or may reverse in the same period are netted. Deferred tax assets are not capitalized.



CALYSTA AS NOTES FOR ANNUAL ACCOUNTS 2019

Note 2 Wages and salaries

The company has no employees, and is not obliged to have defined contribution schemes.

It is not paid directors' fees for 2019.

AUDITOR

Auditors' fee for 2019 NOK 66 875.

Fees for other services is NOK 142 234.

Note 3 Restricted bank deposits

	2019	2018
Restricted bank deposits	272	272

Note 4 Skatt - rapportnote

This year's tax expense	2019	2018
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0
Taxable income:		
Ordinary result before tax	-606 593	735 851
Permanent differences	0	-1 879 442
Changes in temporary differences	0	-94 252
Taxable income	-606 593	-1 237 842
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

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

	2019	2018	Difference
Accumulated loss to be brought forward	-22 066 744	-21 460 151	606 593
Not included in the deferred tax calculation	22 066 744	21 460 151	-606 592
Basis for deferred tax assets	0	0	0
Deferred tax assets (22 %)	0	0	0

Deferred tax is not booked to the balance sheet



CALYSTA AS NOTES FOR ANNUAL ACCOUNTS 2019

Note 5 Intercompany balances

Debt	2019	2018
Long term debt Calysta Inc	3 692 591	6 506 539
Long term debt Calysta Ltd	149 133	0
Short term debt Calysta Ltd	0	149 133
Short term debt Calysta Inc	0	3 167 591
Sum	3 841 724	9 823 262

Note 6 Equity

	Share capital	Share premium	Other capital	Total equity
As of Jan 1. 2019	1 399 900	4 992 720	-16 107 419	-9 714 799
Debt conversion to share capital	139 990	6 366 549	0	6 506 539
Profit for the year	0	0	-606 593	-606 593
As of Dec 31.2019	1 539 890	11 359 269	-16 714 012	-3 814 853

Note 7 Shareholders

THE SHARE CAPITAL IN CALYSTA AS AS OF 31.12 CONSISTS OF:

	Total	Face value	Entered
Ordinary shares	13 999	110,00	1 539 890
Total	13 999		1 539 890

OWNERSHIP STRUCTURE

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Calysta Inc.	13 999	100,0	100,0
Total number of shares	13 999	100,0	100,0



CALYSTA AS
NOTES FOR ANNUAL ACCOUNTS 2019

Note 8 Going concern

In accordance with the Accounting Act § 4-5 it is confirmed that the assumption for going concern are in place. The company will need funding from the parent company during 2020 to cover the operating expenses and the board believe the parent company will provide such funding. The company have patent rights that the board believe will generate significant income in the future. The board further consider the value of the IP in the company to exceed the negative equity position as stated in the 2019 accounts. Calysta Inc. works in cooperation with Calysta AS for developing international licensing opportunities. All debt of the company mainly to the parent company Calysta Inc.

The annual accounts are prepared under assumption of continued operations.

Group accounts can be be obtained from the group parent at address

Calysta Inc.
1140 O'Brien Drive, Suite A
Menlo Park, CA 94025
USA