



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 925 323 004
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORWEGIAN CRYSTALS AS
Forretningsadresse: Sam Eydes vei 26
8160 GLOMFJORD

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Odd Arne Berbusmel
Dato for fastsettelse av årsregnskapet: 30.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 19.08.2022



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Sales revenue	12	97 609 065	2 437 885
Other operating revenue		823 569	684 107
Sum inntekter		98 432 635	3 121 992
Kostnader			
Raw materials and consumables used		85 880 334	160 721
Payroll expenses	1, 10, 11	41 808 422	12 561 676
Depreciation of fixed assets and intangible assets	3, 4	15 703 100	6 449 427
R&D project		11 734 414	
Other operating expenses	2, 17	17 868 831	5 852 289
Sum kostnader		172 995 101	25 024 114
Driftsresultat		-74 562 466	-21 902 122
Finansinntekter og finanskostnader			
Annen renteinntekt		976	
Other financial income	18	3 651 710	21 706
Sum finansinntekter		3 652 686	21 706
Annen rentekostnad		4 387 654	784 029
Other financial expense	18	2 378 580	421 173
Sum finanskostnader		6 766 234	1 205 201
Netto finans		-3 113 548	-1 183 496
Ordinært resultat før skattekostnad		-77 676 014	-23 085 618
Ordinært resultat etter skattekostnad		-77 676 014	-23 085 618
Årsresultat		-77 676 014	-23 085 618
Overføringer og disponeringer			
Transfers to/from reserves		-77 676 014	-23 085 618
Sum overføringer og disponeringer		-77 676 014	-23 085 618



Resultatregnskap

Beløp i: NOK	Note	2021	2020
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Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Goodwill	4	34 800 000	40 000 000
Sum immaterielle eiendeler		34 800 000	40 000 000
Varige driftsmidler			
Land, buildings and other property	3, 14	2 821 000	2 973 000
Fixtures and fittings, tools, office machinery, etc	3, 14	47 912 000	58 263 100
Projects	3, 14	24 902 736	1 185 378
Sum varige driftsmidler		75 635 736	62 421 478
Finansielle anleggsmidler			
Other receivables		24 000	24 000
Sum finansielle anleggsmidler		24 000	24 000
Sum anleggsmidler		110 459 736	102 445 478
Omløpsmidler			
Varer			
Inventory	13	36 735 459	17 736 616
Sum varer		36 735 459	17 736 616
Fordringer			
Trade debtors		5 600 877	
Other receivables and prepaid expenses	15	15 068 801	13 548 407
Sum fordringer		20 669 677	13 548 407
Bankinnskudd, kontanter og lignende			
Bank deposits, cash in hand, etc	6	4 474 608	24 011 595
Sum bankinnskudd, kontanter og lignende		4 474 608	24 011 595
Sum omløpsmidler		61 879 744	55 296 618
SUM EIENDELER		172 339 481	157 742 096



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital (132 415 734 shares of kr 0,10)	7, 8, 9	13 241 573	9 674 100
Overkurs	9	3 785 342	40 684 793
Sum innskutt egenkapital		17 026 916	50 358 893
Sum egenkapital	9	17 026 916	50 358 893
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	14	14 835 159	18 529 094
Debt to owners	14	42 531 112	47 606 599
Sum annen langsiktig gjeld		57 366 271	66 135 693
Sum langsiktig gjeld		57 366 271	66 135 693
Kortsiktig gjeld			
Leverandørgjeld		36 878 805	8 982 612
Public duties payable		2 942 642	1 727 684
Other short-term liabilities	16	58 124 847	30 537 215
Sum kortsiktig gjeld		97 946 294	41 247 510
Sum gjeld		155 312 565	107 383 203
SUM EGENKAPITAL OG GJELD		172 339 481	157 742 096



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To the General Meeting of Norwegian Crystals AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Norwegian Crystals AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

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

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 laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 19 in the financial statements and the paragraph "Continued Operations" in the Board of Directors' report, which indicates that certain events and conditions were burdensome for the Company's financial performance in 2021. Norwegian Crystals funded its operations and current ongoing expansion projects through several round of equity issue and through bridge loan from shareholders. Currently the Company has formally run a process to raise up to NOK 1.8 billion in growth capital. There is a risk that the Equity Issue will take longer due to longer timelines required by relevant strategic investors, and that it is not in any way certain that the Company will succeed in raising the growth capital. These events or conditions, along with other matters as set forth in Note 19 and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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.

Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Offices in:

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

Pennco Dokumentnøkkel: GESZL-SXKFF-NEQGP-ENFMS-GKHKH-SFEJH



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 legal 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 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 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 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 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.



Independent Auditor's Report - Norwegian Crystals AS

Oslo, 30 June 2022
KPMG AS

Jørgen Hermansen
State Authorised Public Accountant
(This document is signed electronically)

Penneo Dokumentnøkkel: GESZL-SXKFF-NEQGP-ENFMS-GKHKH-SFEJH



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Jørgen Hermansen

State Authorised Public Accountant

På vegne av: KPMG AS

Serienummer: 9578-5997-4-22602

IP: 80.232.xxx.xxx

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Skatteetaten

Vår dato 26.11.2020	Din/Deres dato 02.11.2020	Saksbehandler Lars Waalторp
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 32212244
Org.nr 974761076	Vår referanse 2020/6125217	Postadresse Postboks 9200 Grønland 0134 OSLO

ADVOKATFIRMAET SELMER AS
Postboks 1324 Vik
0112 OSLO

Att. Elisabeth Hansen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Norwegian Crystals AS, org.nr. 925 323 004

Vi viser til deres brev av 2. november 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Norwegian Crystals AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

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

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

Bakgrunn

Norwegian Crystals AS er eid av en rekke små og store aksjonærer. Den ene av selskapets to hovedaksjonærer er utenlandsk. Selskapet driver virksomhet knyttet til produksjon av silisiumplater til solcelleindustrien. Selskapet har bedriftskunder, og kommunikasjon med kunder og leverandører foregår på engelsk.

Skattekontorets vurdering

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

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

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig



prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at en av selskapets hovedaksjonærer er utenlandsk. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

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List of Signatures Page 1/1

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Name	Method	Signed at
Norheim, Bent	BANKID_MOBILE	2022-07-02 10:52 GMT+02
Langmo, Reidar	BANKID_MOBILE	2022-07-02 10:47 GMT+02
Knut Simonsen	One-Time-Password	2022-07-01 18:54 GMT+02
Roksøy, Sandra Eliassen	BANKID_MOBILE	2022-07-01 18:28 GMT+02
Bye, Gøran	BANKID_MOBILE	2022-07-01 13:33 GMT+02
Carlsen, Ane Nordahl	BANKID_MOBILE	2022-07-04 08:46 GMT+02
Kolstad, Tord Ueland	BANKID_MOBILE	2022-07-04 10:28 GMT+02
Blekastad, Ivar	BANKID	2022-07-04 08:24 GMT+02
Schiøtz, Tore	BANKID_MOBILE	2022-07-02 11:20 GMT+02



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NORWEGIAN CRYSTALS

Board of Directors' Annual Report 2021

About Us:

Norwegian Crystals AS (NCR) is a privately owned company delivering Ultra-Low Carbon Footprint Silicon (ULCF-Si®) to the solar market. NCR was established in 2020, with headquarters and production facilities in Glomfjord, Norway and offices in Oslo. NCR manufactures monocrystalline silicon ingots and wafers used to produce highly efficient solar cells.

NCR is a new company with 25 years of market knowledge and experience. Beginning operations in 2020, NCR is the result of a successful restructuring of a former Norwegian company. At NCR, we are positively contributing to the development of a "greener" solar PV value chain. We are on a quest to reimagine the European Solar Value Chain from metallurgical grade silicon all the way through to applied solar solutions. For us, the storyline is about more than decarbonization of energy. It is about reestablishing European economic sectors and providing opportunities across the world, based on products and solutions sourced regionally.

NCR is seeking to be the essential part of Europe's lowest carbon footprint solar solutions – by providing ultra-low carbon monocrystalline silicon bricks and wafers. NCR's Operations sits in a region with access to clean hydropower, glacier cooling water, and a skilled workforce with a rich tradition rooted in the solar industry.

Headlines (2021)

- Significant negative effects of COVID-19 on customers, supply chains and Operations
- Revenues of NOK 97.6 million
- Operating and net profit of minus NOK 77.7 million
- Received bridge loans from existing investors totaling NOK 30 million
- Raised additional capital in 2021 of NOK 45 million
- Raised additional capital post balance sheet of NOK 91 million
- Restructuring of Operations executed in June 2021
- Invested NOK ~37 million (CAPEX / OPEX) on expansion project preparations in 2021
- Successful migration to M6 product, transition to Gallium dopant has proven challenging

Market and Sales Development

Our Target Markets: "The solar PV market has grown by 110% in the EU between 2018 and 2019, and the annual PV additions will keep growing by 16 to 17% every year until 2024. The IEA itself foresees 391 GW of PV installed in Europe in its World Energy Outlook 2020's Sustainable Development Scenario. But the market could request even higher figures. According to Solar Power Europe's market forecasts, 253 GW of solar PV will be installed by 2024, meaning a +100 GW addition in four years. If the market continued its exponential growth trend, the solar PV would easily overtake the 400 GW market mark well before 2030." – Solar Power Europe.

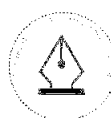
The section of the value chain that is currently fundamentally underserved is the very piece that NCR provides. With most of the downstream production outside Europe, our immediate customers tend to be large Asian companies. They use NCR's wafers to supply end-customers, particularly in regions with an appreciation of ultra-low carbon footprint PV. Lately, NCR has experienced a large interest also from customers and end-users in the USA.

NCR has established customer contracts with lock-in mechanisms that range from pre-payment to secure volume to take and pay. To reduce risk of commodity price fluctuations, pricing is indexed against the cost of polysilicon, but of course with a natural time lag that has been painful due to the rapid increase in polysilicon price over the last year. There is a premium for ULCF-Si® products (up to 15%). Demand continues to outstrip NCR's capacity, mirroring industry growth.

Global PV Industry: The PV-industry is global, competitive, and characterized by strong growth driven by the leading cost position of solar power vs. other sources of electricity. NCR is a nimble, emerging player in the 165-175 GWp (2021) global industry. Historically, analysts have underestimated the growth of the market. The COVID pandemic did not significantly impact the development of the market in terms of installed generating capacity. However, COVID and other geo-political factors had a significant negative impact on the efficiency of the supply chain throughout 2021.

June 30, 2022

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NORWEGIAN CRYSTALS

Polysilicon supplies: Chinese domestic market is reaching prices of USD 40/kg. High demand and reduced availability due to limited power supply and trade restrictions in the USA. Outside China, Poly pricing is rising but no shortage.

Wafer price: Undersupply in the market. Chinese manufacturers are reducing production due to high polysilicon cost which is applying supply pressure and will have some impact on average sales price. After decades of strong continuous price reductions, wafer prices have stayed stable since August 2018 until the recent spike in polysilicon prices.

Market Growth: Simply put, 15% CAGR means that the market doubles in five years and quadruples in ten. In 2021, around 65% of the 168 GWp/year installations happened outside China. Europe and the USA's installations in 2021 each were larger than the global market ten years ago. Leading companies in the broad PV value chain have remained relatively stable from 2019 until now. The top five PV module manufacturers by shipped volume include Longi, Jinko, JA Solar, Trina Solar, and Canadian Solar.

European PV Market: The European PV Industry is experiencing a renaissance and NCR is directly participating in the region's growth. Market analysis suggests that annual installations in Europe could double from around 25 GWp in 2021 to around 50 GWp in 2026.

Low Carbon Footprint: The world is rapidly moving to embrace low carbon footprint manufacturing. With its trademarked Ultra Low Carbon Footprint Silicon (ULCF-Si®) monocrystalline bricks, NCR already produces industry-leading certified low carbon product.

PV Technology Roadmap: Monocrystalline silicon has cemented its position as the clear platform of choice for PV solutions and will maintain that market dominance for the foreseeable future.

Competitors: China dominates the PV-industry with 95-99% of total output. For monocrystalline silicon, bricks and wafers, options outside China are very limited. There are two-four primary suppliers who act more as complements and not competitors. Two of those are NorSun and NCR in Norway. From a European point of view, new capacity has come onstream in Turkey and an integrated project has been announced in Spain.

Operations Throughout 2021

2021 was considered the startup and commissioning year for the new NCR. Operations budgeted an aggressive ramp to achieve increased capacity throughout the balance of the year. Unfortunately, this ramp was severely impacted by several factors – most notably an incredibly fragile supply chain. Another contributing challenge was the mechanical readiness of older technology no longer supported off the shelf.

Throughout 2021 we have stated that our ability to ramp was largely dependent on NCR's ability to secure raw materials, the vendor's ability to deliver necessary consumables and spare parts, and the mechanical readiness of our pullers.

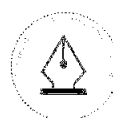
To provide context, NCR placed orders in June 2021 for various pieces of the hot zone assemblies for Crystal Growers. The initial delivery commitment from the vendor was July. Those orders were not fulfilled until February of 2022. Supply chain challenges like these had significant negative effects on production, output, and operational stability.

In addition, NCR successfully reacted forward to accommodate market changes and retooled to provide customers M6 product size – which included the introduction of different processes, recipes, material handling equipment and crucibles. As the Company transitioned into 2022, NCR was again required to shift products, introducing Gallium-doped P-Type ingots per customer demand and testing N-type. Doping is a process that intentionally introduces "impurities" to modulate or change electrical, optical and structural properties to produce better results from a solar module. As experienced by others in the industry, Gallium doping has proven to be a challenging technology shift also for NCR. Gallium's natural properties make it difficult to pull ingots with enough "in specification material" to offset the cost of the process. NCR continues to focus on improving P-Type Gallium yields and has an assigned Tiger Team dedicated to this purpose.

On average thirty four percent of potential production capacity was available to be scheduled throughout 2021, in all 1,068 puller-weeks. Sixty six percent of potential capacity has not been available due to mechanical and/or hot-zone issues (please refer to the supply chain issues noted above), in all 2,100 lost puller-weeks. Of the capacity available to be scheduled, on average 90% has been brought on-stream, in all 959 puller weeks.

June 30, 2022

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NORWEGIAN CRYSTALS

Other significant events: NCR Operations was restructured in June 2021 and introduced a new COO, Production Manager, Process Engineers, etc. Various production personnel were also turned over through the balance of H2 2021. NCR experienced extremely high sick leave rates in Q4 2021 and Q1 2022 – mostly due to COVID.

Continued Operations

In 2021, the combined effects of Covid-19 and global logistics disruptions had an impact on NCR's supply chain, making it sluggish and unresponsive. Deliveries of necessary consumables and feedstocks were delayed (in some cases) by months. This situation was particularly burdensome for a newly (re)started business like NCR and the Company's financial performance in 2021 suffered accordingly. By providing liquidity reinforcement, shareholders demonstrated support and confidence in the Company and the platform for growth that the Board of Directors and management set out to create. A Private Placement in March 2021 rendered gross proceeds of NOK 45 million. A bridge loan from shareholders for NOK 30 million was executed in October 2021.

After the balance sheet date:

Additional liquidity reinforcement has been executed, totaling NOK 91 million in new equity raised in share issues in February, May, and June 2022. Most of the new equity has been provided by the original shareholders. However, EIT InnoEnergy, a private/public cooperation, has also participated and now owns around 10% of the issued share capital per the end of June 2022. EIT InnoEnergy is spearheading the decarbonization of Europe by leading industrial value chains in three strategic sectors: battery storage, green hydrogen, and solar photovoltaics. EIT InnoEnergy chose to invest in Norwegian Crystals following a rigorous vetting process that culminated in a formal pitch by NCR Management during EIT InnoEnergy's Investment Committee Board Review in Barcelona late November 2021. Norwegian Crystals AS also initiated Growth Capital / Expansion Fundraising initiative, aimed at raising NOK 1.8 billion to support the Company's growth strategy.

The financial statements have been prepared on the assumption of continued operations. The Board confirms that this assumption is present based on the company's refinancing process, order situation and future plans and budgets.

ESG and Scope 1-3 (Sustainability Statement)

On average, ~80% of global emissions from oil & gas comes from the use of petroleum products, i.e., outside the O&G companies' control – "Scope 3."

NCR offers the perfect Scope 3 emission avoidance solution – more energy, more CO₂-avoidance, and higher margins than direct investments in alternatives. PV-systems based on the monocrystalline wafers produced in one year by NCR's expanded capacity, will displace up to 155 million metric tons of CO₂-equivalents. For reference, Norway's total CO₂ emissions in 2018 = 53 million metric tons.

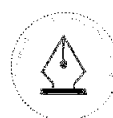
Oil and gas companies do invest heavily to abate the direct and indirect emissions from their own operations (Scope 1 & 2). Oil and gas companies do invest in renewable energy generating assets to abate emissions from the use of O&G products and to move towards net zero carbon. NCR offers oil and gas a force multiplier; this new capacity will provide the world with up to 10 GWp of additional PV every year. The perfect complement to a renewable energy portfolio to tackle Scope 3 Greenhouse Gas emissions.

The Environmental, Social and Governance (ESG) framework has emerged as a dominant investor focus. NCR has embraced ESG as a fundamental part of its DNA. Low-Carbon foot-print requirements have increasingly become the norm for importation of all goods in countries around the globe. For PV – France and Korea already have established specific low-carbon incentives. The most carbon intensive parts of the silicon-based PV value chain are the production of Metallurgical Grade Silicon (MGS) and polycrystalline silicon (polysilicon), followed by the production of silicon ingots. The use of clean energy, like hydropower, significantly reduces the carbon footprint of these upstream production steps.

Norway's electricity generation is uniquely well suited for low-carbon production, but Norway's PV-related silicon production has diminished in significance. With our ultra-low carbon footprint, NCR is naturally strong on the "E" (environment), but we also like to focus on the "S" or Social pillar. More than two thirds of the world's MGS and polysilicon production is based in China. More than 80% of the Chinese capacity is located to Xinjiang, Qinghai, Sichuan, and Inner Mongolia, of which especially Xinjiang is under international scrutiny for alleged mistreatment of minorities and

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NORWEGIAN CRYSTALS

forced labor. Even though the extent to which these social challenges apply to the PV-value chain is unclear, avoiding sourcing from these areas is the only way to make certain that high-carbon “conflict silicon” is not used in PV-modules.

Initiated Growth Capital / Capacity Expansion Fundraising

Project Summary and Justification: NCR is working with a range of strategic and financial investors to secure up to NOK 1.8 billion in growth capital. This will fund Phase One - 3.6 GWp/year of incremental capacity. This capacity will be brought onstream over the next 4 years. Phase Two will add capacity to achieve 6 GWp/year. To achieve such growth so quickly an ecosystem of support (a solar value network) must be built or “re-ignited” throughout Europe. Solar PV is gaining in strategic importance to the European energy sector and to the entire European economy. Redeveloping a solid solar PV manufacturing industry in the EU will therefore:

- **Provide more energy autonomy.** Solar energy is one of the most important parts of the future energy portfolio. Key components and enablers for PV are currently not produced in Europe making the continent entirely dependent on imports from a very concentrated and distant geographical area. Europe based production of the critical silicon substrates will provide a regional complement to the imports and lay the foundations for a regional PV-manufacturing.
- **Accelerate the roll-out of innovative, energy efficient, low carbon solar PV technologies.** Rebuilding, to globally relevant scale and at speed, the ultra-low carbon silicon foundations of the European PV manufacturing ecosystem will create an industrial platform on which the new efficient, solar PV technologies will find a faster route to market development, combined with the know-how of the production processes that will support the technological leadership of the research and innovation ecosystem.
- **Increase the sustainability of solar PV products,** primarily by utilizing renewable power to produce, but also by shortening the value chains and limiting the international transport of products. This will respond to increasing concerns from consumers and investors.
- **Create added economic value for governments and societies.** Redeveloping manufacturing in Europe will create additional tax revenues for European societies. It will sustain highly skilled jobs along the value chain: highly skilled jobs in the R&D and manufacturing sectors and local jobs will occur downstream among the project developers, installers, operation, and maintenance service providers.
- **Support the resilience of the solar PV industry.** By ensuring a diversified supply of technologies, a solid PV manufacturing industry will increase the resilience of European industries to external shocks or of disruption on the supply, in line with the policy of an “open and strategic autonomy.”

Investor interest is very high as NCR continues to navigate the final stages of this process. The intention is to close the process in Q3 2022. Should this initiative be either delayed or halted, NCR management is prepared to take the necessary restructuring steps to ensure future company viability.

Financial risk, supply chain risk, market risk, credit and liquidity risk

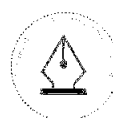
NCR is exposed to financial risk related to currency and interest rate fluctuations and has a strategy for hedging currency and interest rate risk through contractual mechanisms. At the end of 2021, the company had no active financial hedging instruments. NCR has the most significant of its revenues in USD and fixed costs in NOK. Other substantial costs (Polysilicon) are incurred in EUR.

The global supply chain was severely impacted by a series of things between 2019 and 2022. The most notable and obvious was the global COVID pandemic. Other influencers have been geopolitical and macroeconomic dynamics between nations. The fragility of the supply chain was a significant negative contributing factor to NCR’s financial results in 2021. NCR has addressed this in three ways; developing a broader multi-vendor sourcing strategy, participating in the development of regional value networks, and exploring alternative designs and materials to reduce dependance on constrained sources.

The market risk is mainly related to two elements: price fluctuations on raw materials (e.g., polysilicon), and price fluctuations on finished goods (e.g., wafers). For finished goods, NCR is exposed to market fluctuations on a par with other manufacturers. Therefore, the company continuously seeks to enter into sales agreements with a longer time horizon to reduce this risk.

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NCR is actively working to refocus its customer portfolio, moving further into the European and North American value chains. The company's three largest customers accounted for 99% of sales in 2021.

Research and development

NCR's development activities have been aimed at new product introduction (per customer requirements), cost-reduction and quality-improvement. NCR R&D completed a series of initiatives supported by ENOVA throughout 2021.

Working environment including gender equality

NCR had 81 employees (61 men / 20 women) at the end of 2021. The average number of weeks of parental leave was 27 weeks for women and 0 weeks for men.

In Q2 we performed a work environment survey and executed necessary improvements and changes throughout the balance of the year (inclusive of restructuring of Operations as noted above).

Approaching September 2021, NCR achieved 366 days without a lost time incident. Unfortunately, on the 367th day one of our employees suffered a lost time injury.

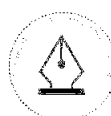
Sick leave averaged 5% in 2021, however it should be noted that sick leave in Q1 2022 was extremely high (experiencing almost 16% in February).

NCR recognizes the principles and value of diversity among our employees and practices equal treatment and protection against harassment in the workplace. NCR strives to evaluate only the education, experience, results and other professional qualifications of hiring, training, promotion, compensation, or reward of our employees.

The board of NCR consists of 5 men and 2 women, (inclusive of two employee representatives) and the board is covered by liability insurance.

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NORWEGIAN CRYSTALS

Income statement 2021
Norwegian Crystals AS

	Note	2021	2020
Sales revenue	12	97 609 065	2 437 885
Other operating revenue		823 569	684 107
Total operating revenue		98 432 635	3 121 992
Raw materials and consumables used		(85 880 334)	(160 721)
Payroll expenses	1, 10, 11	(41 808 422)	(12 561 676)
Depreciation of fixed assets and intangible assets	3, 4	(15 703 100)	(6 449 427)
R&D project		(11 734 414)	0
Other operating expenses	2, 17	(17 868 831)	(5 852 289)
Sum operating expenses		(172 995 101)	(25 024 114)
Operating result		(74 562 466)	(21 902 122)
Other interest income		976	0
Other financial income	18	3 651 710	21 706
Total financial income		3 652 686	21 706
Other interest charge		(4 387 654)	(784 029)
Other financial expense	18	(2 378 580)	(421 173)
Total financial expenses		(6 766 234)	(1 205 201)
Net financial items		(3 113 548)	(1 183 496)
Profit or loss before tax		(77 676 014)	(23 085 618)
Operating result		(77 676 014)	(23 085 618)
Profit or loss for the year		(77 676 014)	(23 085 618)
Transfers			
Transfers to/from reserves		(77 676 014)	(23 085 618)
Total transfers and allocations		(77 676 014)	(23 085 618)

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NORWEGIAN CRYSTALS

Balance Sheet 2021
Norwegian Crystals AS

	Note	2021	2020
ASSETS			
Non-current assets			
Intangible non-current			
Goodwill	4	34 800 000	40 000 000
Total intangible non-current		34 800 000	40 000 000
Tangible non-current			
Land, buildings and other property	3, 14	2 821 000	2 973 000
Fixtures and fittings, tools, office machinery, etc	3, 14	47 912 000	58 263 100
Projects	3, 14	24 902 736	1 185 378
Total tangible non-current		75 635 736	62 421 478
Non-current assets			
Other receivables		24 000	24 000
Total financial non-current		24 000	24 000
Total non-current		110 459 736	102 445 478
Current assets			
Inventory	13	36 735 459	17 736 616
Total stocks		36 735 459	17 736 616
Receivables			
Trade debtors		5 600 877	0
Other receivables and prepaid expenses	15	15 068 801	13 548 407
Total receivables		20 669 677	13 548 407
Bank deposits, cash in hand, etc	6	4 474 608	24 011 595
Total bank deposits, cash in hand, etc		4 474 608	24 011 595
Total current assets		61 879 744	55 296 618
Total assets		172 339 481	157 742 096

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NORWEGIAN CRYSTALS

Balance Sheet 2021
Norwegian Crystals AS

	Note	2021	2020
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital (132 415 734 shares of kr 0,10)	7, 8, 9	13 241 573	9 674 100
Share premium reserve	9	3 785 342	40 684 793
Total paid-in capital		17 026 916	50 358 893
Total equity	9	17 026 916	50 358 893
Liabilities			
Other long-term liabilities			
Liabilities to financial institutions	14	14 835 159	18 529 094
Debt to owners	14	42 531 112	47 606 599
Total other long-term liabilities		57 366 271	66 135 693
Total long-term liabilities		57 366 271	66 135 693
Current liabilities			
Trade creditors		36 878 805	8 982 612
Public duties payable		2 942 642	1 727 684
Other short-term liabilities	16	58 124 847	30 537 215
Total current liabilities		97 946 294	41 247 510
Total liabilities		155 312 565	107 383 203
Total equity and liabilities		172 339 481	157 742 096

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NORWEGIAN CRYSTALS

Signed and Attested To:

Tore Schiøtz
Chairman of the Board

Ane Nordahl Carlsen
Director

Tord Ueland Kolstad
Director

Reidar Langmo
Director

Knut Simonsen
Director

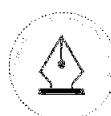
Bent Norheim
Director

Anders Tindvik
Director

Gøran Bye
CEO

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NORWEGIAN CRYSTALS

CASHFLOW

Norwegian Crystals as

	2021	2020
Cashflow from operations		
Net loss	-77 676 014	-23 085 618
+ Depreciations/Impairments	<u>15 703 100</u>	<u>6 449 427</u>
Gross cash flow from operations (EBITDA)	-61 972 914	-16 636 191
Changes inventory	-18 998 843	-8 405 579
Changes to debtors and creditors	22 295 317	8 982 612
+/- Change from other periodization items	<u>- 305 436</u>	<u>-11 529 283</u>
A = Net cash flow from operations	<u>-58 981 675</u>	<u>-27 588 441</u>
Cashflow from investments		
- Investments in fixed assets	<u>-23 717 359</u>	<u>-415 785</u>
B = Net cash flow from investments	<u>-23 717 359</u>	<u>-415 785</u>
Cashflow from financing		
+ Issuance of new debt (short and long term) (Credit line)	58 162 659	11 307 191
- Payment of old debt	-39 344 649	-11 850 354
+ New borrowings		
+ Cash from issuance of new equity	<u>44 344 037</u>	<u>52 558 984</u>
C = Net cash flow from financing	<u>63 162 046</u>	<u>52 015 821</u>
+ Opening cash balance 1 January	24 011 595	
A+B+C Net change in cash during year	<u>-19 536 987</u>	<u>24 011 595</u>
= Closing cash balance 31 December	<u>4 474 608</u>	<u>24 011 595</u>
	4 474 608	
diff	0	

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NORWEGIAN CRYSTALS

Accounting principles

The financial statement has been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Revenues

Revenues from goods sold are recognized at the time of delivery. Finished goods are delivered as bricks or as wafers sliced from bricks. Bricks are typically delivered exworks when the risk is transferred and revenue recognized. Alternatively, bricks can be shipped for slicing, which is bought as a service, and then delivered as wafers. The most common term is "delivery FCA Shanghai" when revenue is recognized. Payment conditions are triggered either on delivery or by prepayment.

Classification and assessment of balance sheet items

Current assets and current liabilities include items relating to the operating cycle. Other receivables are classified as current assets if due for settlement within one year after the transaction date. Similar criteria apply to liabilities. Non current assets are assets intended for permanent ownership and use. Non current liabilities are debts due later than one year after the transaction date.

Current assets are valued at the lesser of either cost or fair value. Liabilities are recognized at nominal value amount at the time of establishment.

Receivables

Trade receivables and other receivables are recognized in the balance sheet at nominal value after deduction of provisions for expected losses. Provisions for losses are made on the basis of individual assessments of each receivable.

Inventories

The inventory of purchased goods is valued at the lower of cost according to the FIFO principle and fair value, i.e. net realizable value. Self-produced finished goods and work in progress are valued at the lower of variable cost of production with addition of attributable fixed costs and fair value, i.e. net realizable value. Write-downs are made for predictable obsolescence.

Fixed assets

Tangible fixed assets are recognized at cost less depreciation over the economic useful lives of the assets. This applies to assets with a cost price that exceeds NOK 15 000. Direct maintenance of fixed assets is expensed on an ongoing basis as operating costs, while costs or improvements are added to the cost of the asset and depreciated. The assets are written down to its recoverable amount if this is lower than book value and the impairment is not expected to be temporary.

Currency

The company has NOK as its functional currency. Transactions in foreign currency are converted using the exchange rate at the transaction date. Exchange rate movements are recognized continuously in the accounting period as other financial items. Receivables and debt in foreign currency are booked at the Exchange rate at the date of reporting.

Pension

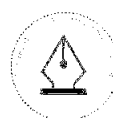
The company has a defined contribution plan for its employees. The payments to the contribution plans are expensed as incurred and paid on a monthly basis.

Tax

The tax expense in the income statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated at 22% of the temporary differences existing between the tax base and the carrying amount of assets and liabilities in the financial statement, including tax losses carried forward at the end of the accounting year. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

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NORWEGIAN CRYSTALS

Note 1 Payroll expenses

Payroll expenses	2021	2020
Salaries/wages	44,311,376	10,401,376
Salaries on projects to be activated	(3,462,906)	
Salaries on projects classified as research and development	(4,250,287)	
Social security fees	2,361,513	506,464
Pension expenses	2,605,111	790,990
Other remuneration	243,615	862,846
Total	41,808,422	12,561,676

Row Labels	Sum of Beløp	Konto 1200	Konto 7600
20001 - Nytt varehus	22 808,79	22 808,79	
20002 - Nye sager	169 037,55	169 037,55	
21001 - 24" HZ	1 664 737,29		1 664 737,29
21002 - Alternating Dopant project (Skattefunn)	1 165 335,28		1 165 335,28
21003 - Financing/Listing Round	750 703,81		750 703,81
21004 - Expansion/CAPEX	3 822 588,62	3 153 077,68	669 510,94
21005 - Capacity Increase L1+L2	107 953,09	107 953,09	
21006 - FME SuSolTech	10 028,98	10 028,98	
Grand Total	7 713 193,41	3 462 906,09	4 250 287,32

In 2021 the company employed 64 full-time equivalents.

Note 2 Audit fee

	2021	2020
Audit and other services	1,087,495	438,400

Note 3 Tangible fixed assets

2021

Fixed assets	Land, buildings and other property	Fixtures, fittings and similar assets	Projects	Total fixed assets
Historic cost 01.01.	3,023,667	62,878,015	1,185,378	67,087,060
Additions 2021	0		23,717,358	23,717,358
Disposals 2021	0	0	0	0
Historic cost 31.12.	3,023,667	62,878,015	24,902,736	90,804,418
Accumulated depreciation 01.01.	-50,667	-4,614,915		-4,665,582
Accumulated depreciation 31.12.	-202,667	-14,966,015		-15,168,682
Net book value 31.12.	2,821,000	47,912,000	24,902,736	75,635,736
This year's depreciation	-152,000	-10,351,100		-10,503,100
Economic useful life	27 years	0 - 10 years		
Depreciation plan: Straight Line	3.70%	0 - 25%		

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NORWEGIAN CRYSTALS

Note 4 Goodwill

2021

	Goodwill
Historic cost 01.01.	41,783,846
Additions 2021	0
Disposals 2021	0
Historic cost 31.12.	41,783,846
Accumulated depreciation 01.01.	-1,783,846
Accumulated depreciation 31.12.	-6,983,846
Net book value 31.12.	34,800,000
This year's depreciation	-5,200,000
Economic useful life	8 years
Depreciation plan: Linear	12.50%

The Goodwill of NOK 41.8 million stems from the acquisition of all assets and activities from Gfjord Invest AS. The goodwill is related to the customer portfolio and relationships as well as machinery. These items have a three to five years estimated economic useful lifetime. Management, market competence and operational know how embedded in the organization is expected to have a long-lasting value. As an overall assessment, the lifetime of the Goodwill is estimated at 8 years.

Note 5 Deferred tax

Deferred tax in the balance sheet is determined on the basis of temporary differences existing between the tax base and the carrying amount of assets and liabilities in the financial statement, including tax losses carried forward at the end of the accounting year. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

Temporary differences	1/1/2021	12/31/2021	Change
Tangible fixed assets	14,640,174	15,830,284	-1,190,111
Current assets	-4,009,232	-731,614	-3,277,618
Tax loss carried-forward	-37,716,146	-119,377,777	81,661,630
Net	-27,085,205	-104,279,106	77,193,901
Tax-reducing differences that do not satisfy the recognition criteria	27,085,205	104,279,106	-77,193,901
Total temporary differences on which deferred tax is recognized	0	0	0
Recognized deferred tax asset 31.12.21, based on 22% tax	0	0	0

The deferred tax asset of NOK 22 941 403 is not recognized in the balance sheet due to uncertainty related to time of utilization and the strong evidence requirement for future profit.

Note 6 Cash and cash equivalents

Cash and cash equivalents includes a separate tax withholding account of NOK 2.688.565. Withholding tax obligation related to employees is NOK 2.225.807.

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NORWEGIAN CRYSTALS

Note 7 Share capital

At 31.12.2021, the company has registered 132 415 734 shares, each with a face value of NOK 0.10, which equals a total share capital of NOK 13 241 573,40. The company has one class of shares.

Note 8 Shareholders and ownership structure

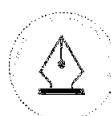
Title	Name	Shares and equity related instruments held by investors related to the Company's Board of Directors and management		Vested (Not Executed) Options
		Number of shares per 31 Dec 2021	Warrants	
Chairman	Tore Schjeltz			
	As Director of Granhaug industrier AS	1,305,000		
	As Director of Centurum AS	445,000		
Board member	Ane Nordahl Carlsen			
	As Representative of Grafo AS	3,415,668		
	Self	75,000	1	75,000
Board Member	Tord Kolstad (T Kolstad Eiendom AS)			
	As Director of T Kolstad Eiendom AS	17,597,429		
	Self		1	125,000
Board Member	Reidar Langmo			
	As Director of Rebeljio AS	5,825,000		
	As Director of Gfjord Invest AS (See also Knut Simonsen)	16,589,482		
Board Member	Knut Asgeir Simonsen			
	As Representative of Capricorn / Goldman Sachs & Co. LLC	21,945,210		
	As Director of Gfjord Invest AS (See also Reidar Langmo)	16,589,482		
Board Member	Anders Tindvik	-		-
	Bent Norheim	-		-
	Gøran Bye			
Chief Executive Officer	SchoutByNacht AS	2,387,500		
	Self			666,668
Chief Operating Officer	Blake Barthelmess			
	Self	333,333		333,334
Chief Commercial Officer	Ivar Blekastad			
	Hågåa Pyntegrønt AS	185,500		
	Self			333,334
		70,104,122		1,933,336

Total represents full sum of actual ownership (duplication of Gfjord Invest AS in table above is to provide transparency regarding associated interests).

Warrants were issued in October 2021 in support of a debt facility provided by current investors. Each lender noted in the above table received one warrant, which gives the right to subscribe for a number of shares in the Company proportional to each lender's portion of the Loan (including interest and Underwriting Commission (if any)) divided by the applicable exercise price.

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NORWEGIAN CRYSTALS

The Company's shareholders as of 31.12.2021

The company has 53 shareholders. Shareholdings of more than 1% are listed below.

Shareholder's name	Number of shares registered at 31.12.2021	Ownership
HEKTOR AS	22,500,000	16.99%
Goldman Sachs & Co. LLC	21,945,210	16.57%
T KOLSTAD EIENDOM AS	17,597,429	13.29%
GFJORD INVEST AS	16,589,482	12.53%
Invener A/S	8,750,000	6.61%
SONGA CAPITAL AS	6,000,000	4.53%
REBELIJO AS	5,825,000	4.40%
HI CAPITAL AS	5,125,000	3.87%
CASFILA INVEST AS	3,820,000	2.88%
GRAFO AS	3,415,668	2.58%
JAHATT AS	3,000,000	2.27%
SCHOUTBYNACHT AS	2,387,500	1.80%
RBC INVESTOR SERVICES TRUST	1,904,452	1.44%
FINANCE RESOURCES TODO AS	1,900,000	1.43%
A.H. HOLDING AS	1,707,834	1.29%
OTHER SHAREHOLDERS	9,948,159	7.51%
Total	132,415,734	100.00%

The company has one class of shares each with one vote in general meetings.

Note 9 Equity

Specification of Equity	Share capital	Premium on shares	Uncovered loss	Total
Equity 01.01.2021	9,674,100	40,684,793		50,358,893
Capital increase	3,567,474	40,776,563		44,344,037
Result of the year		-75,872,917		-75,872,917
Equity 31.12.2021	13,241,573	5,588,439	-	18,830,012

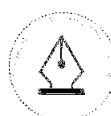
Note 10 Pensions

Occupational pension

The company has a defined contribution pension scheme that satisfies the requirements of the Norwegian Act on Compulsory Occupational Pensions. The scheme comprised 79 employees in 2021. Premium paid for 2021 was NOK 2.605.111.

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NORWEGIAN CRYSTALS

Note 11 Remuneration to senior executives

Remuneration to the CEO

Name	Period	NOK
Gøran Bye	1 Jan - 31 Dec	1,970,954

The remuneration represents all contribution to the CEO. The CEO has a six (6) month mutual notice period (and no further remunerations) in case of termination of employment with the company.

Bonus agreements

No bonus program was in effect for Norwegian Crystals AS in 2021.

Remuneration to the Board of Directors

Board remuneration has been paid in 2021, NOK 468 750

Board remuneration provision in 2021, NOK 427 083

Transactions with related parties

Norwegian Crystals AS management and personnel offer administrative services to Gjford Invest AS regulated by a separate Management Agreement approved by the Annual General Meetings in both companies 24 September 2020. Hourly prices are established on arms length distance. Invoicing is done monthly according to hourly lists and subject to Board approval.

The service was terminated with the last invoicing in September 2021, the total consideration was NOK 753 569

Note 12 Sales Revenues

	NOK	
Operating sales revenues	97,609,066	99%
Revenues from sale of assets	70,000	0%
Revenues from sale of services to Gjford Invest AS	753,569	1% According to Management Agreement
Total Sales Revenues	98,432,635	

90% of sales are to Asian companies and 10% European. 25% of revenues are from sale of brick, 32% is sale of wafer and 43% is sale of polysilicon.

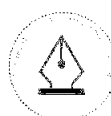
Note 13 Inventories

The company's inventories are valued at the lower of cost according to the FIFO principle and fair value, i.e. net realizable value. Work in progress is valued at the lower of variable cost of production with addition of attributable fixed costs and net realizable value

Inventory	2021	2020
Raw materials	24,939,756	12,136,626
Work in progress	4,536,713	604,380
Finished goods of own production	7,258,990	4,995,610
Total inventory	36,735,459	17,736,616

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NORWEGIAN CRYSTALS

Note 14 Debt / guarantees

Interest-bearing debt		Balance at year end 2021	Due in 2022	Due after 2022	Due after five years
PVA* , purchase of Equipment with vendor financing	4.5% pa/ 4 years	16,114,539	16,114,539	-	
Innovasjon Norge		11,788,335	1,274,415	10,513,920	5,416,262
Meløy Municipality	7.7% pa/ 5 years	3,347,408	2,026,169	1,321,239	
DNB, Innovasjon Norge guarantees for 75% of possible losses		3,750,000	750,000	3,000,000	
Debt to shareholders	10%	30,000,000		30,000,000	
Gfjord Invest AS	3% pa/ 3 years	29,509,338	16,978,226	12,531,112	
Total		94,509,620	37,143,349	57,366,271	5,416,262

Included in the balance with Gfjord Invest is a contract advance with Talesun for wafers, total nok 5.430.726. To be delivered in 2022.

* PVA Crystal Growing Systems GmbH is manufacturing the main equipment used by the company. Crystal Growers sometimes called pullers or furnaces.

Booked values of assets and receivables provided as collateral for loans and guarantees	2021
Buildings	2,821,000
Operating assets	7,617,833
Inventory	36,735,459
Total	47,174,292

Registered mortgage charge	NOK
DNB Bank ASA, factoring agreement	35,000,000
DNB Bank ASA, operating assets	35,000,000
DNB Bank ASA, inventory	35,000,000
PVA Crystal Growing System GmbH, operating assets (EUR 1 990 456 at 9,9888 pr 31.12.2021)	19,882,267
Meløy Municipality (Meløy Development), operating assets	3,000,000
Innovasjon Norge, operating assets	13,000,000
Innovasjon Norge, factoring agreement	13,000,000
Innovasjon Norge, inventory	13,000,000

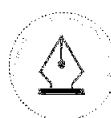
Note 15 Other receivables

Other receivables and prepaid expenses	2021
Prepaid expenses	9,345,494
Advance invoices projects	4,730,323
VAT receivable	992,984
Total	15,068,801

At year end the company had prepaid NOK 15.8 million for Capex related items and NOK 0.9 million for operational expenses. NOK 25.6 million of the prepayments were financed over a Letter of Credit facility.

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NORWEGIAN CRYSTALS

Note 16 Other current liabilities

Other current liabilities	2021	2020
Share of long-term debt maturing within one year	37,143,349	7,077,229
Provision for holiday pay	2,430,788	2,031,603
Advance from customers	4,258,360	19,203,809
Accrued interest	3,301,900	1,635,215
Other current liabilities	10,990,450	589,359
Total	58,124,847	30,537,215

Note 17 Other operating expenses

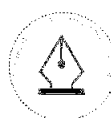
Other operating expenses	2021	2020
Freight costs		224,734
Factor inputs in operation		
Rental costs, renovation etc.	5,070,133	1,604,352
Tools, furniture and hardware	1,266,949	135,158
Software	811,732	245,675
IT support	485,574	108,305
Repair and maintenance	1,127,505	1,585,167
Consultants	5,811,423	1,551,390
Travel expenses	627,194	71,929
Other expenses	2,668,321	325,579
Total	17,868,831	5,852,289

Note 18 Foreign exchange gains/losses

Foreign exchange	2021	2020
Gains	3,651,710	21,705
Losses	2,132,015	421,286
Net foreign exchange gain/loss	1,519,695	-399,581

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NORWEGIAN CRYSTALS

Note 19 Going concern

The annual accounts have been prepared under the assumption the Norwegian Crystals AS remains a going concern.

Norwegian Crystals operates in the solar (aka Photovoltaic / PV) industry. The PV industry has become the platform for the lowest cost energy generation in regions across the world for the third consecutive year. The market is attractive, it has matured, prices are set by the supply and demand relationship, and growth is constant at more than 15% CAGR.

In 2021, the combined effects of Covid-19 and global logistics disruptions had an impact on NCR's supply chain, making it sluggish and unresponsive. Deliveries of necessary consumables and feedstocks were delayed (in some cases) by months. This situation was particularly burdensome for a newly (re)started business like NCR and the Company's financial performance in 2021 suffered accordingly. By providing liquidity reinforcement, shareholders demonstrated support and confidence in the Company and the platform for growth that the Board of Directors and management set out to create. A Private Placement in March 2021 rendered gross proceeds of NOK 45 million. A bridge loan from shareholders for NOK 30 million was executed in October 2021.

After the balance sheet date, additional liquidity reinforcement has been executed, totaling NOK 91 million in new equity raised in share issues in February, May, and June 2022. Most of the new equity has been provided by the original shareholders. However, EIT InnoEnergy, a private/public cooperation, has also participated and now owns around 10% of the issued share capital per the end of June 2022. EIT InnoEnergy is spearheading the decarbonization of Europe by leading industrial value chains in three strategic sectors: battery storage, green hydrogen, and solar photovoltaics. EIT InnoEnergy chose to invest in Norwegian Crystals following a rigorous vetting process that culminated in a formal pitch by NCR Management during EIT InnoEnergy's Investment Committee Board Review in Barcelona late November 2021.

Since the inception of the Company, NCR's Board of Directors and management have been clear that expanded and modern production capacity is necessary for NCR to be competitive. To secure long term competitiveness, management has continued to build the required momentum, relationships, and narrative to develop Norwegian Crystals AS into a visible and critical participant in the European Solar Value Chain. Since January 2022, The Company has formally run a process to raise up to NOK 1.8 billion in growth capital. DNB Markets and Clarksons Platou Securities serve as financial advisors for the Company. It is anticipated that a substantial part of this growth capital will be equity (the "Equity Issue"). Several large strategic investors are now in Due Diligence Investigation of the Company. The Equity Issue is scheduled by the financial advisors to be completed in Q3 2022.

The Board of Directors notes, however, there is always a risk that the Equity Issue will take longer due to longer timelines required by relevant strategic investors. Even if it is not in any way certain that the Company will succeed in raising the growth capital, the board remains positive.

Considering the successful liquidity reinforcement events and the high interest from investors and customer prospects for the expansion, the Board of Directors concludes that Norwegian Crystals AS is a going concern.

Note 20 Events after the balance sheet date

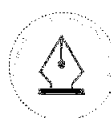
In February 2022, Norwegian Crystals AS invited existing shareholders to participate in a Private Placement of exactly NOK 35 million. The capital raise was intended to enhance and accelerate the company's growth plans and was done at par value (.10 per share).

In May and June 2022, NCR raised another NOK 55 million in three related share issues. This includes the external investment from EIT InnoEnergy. The Company expects this to be fully executed within July, 2022.

Norwegian Crystals AS also initiated fund raising aimed at raising NOK 1.8 billion to support the Company's growth strategy. This process is managed by DNB Markets and Clarksons Platou Securities.

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NORWEGIAN CRYSTALS

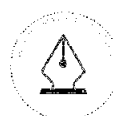
CASHFLOW

Norwegian Crystals as

	2021	2020
Cashflow from operations		
Net loss	-77 676 014	-23 085 618
+ Depreciations/Impairments	<u>15 703 100</u>	<u>6 449 427</u>
Gross cash flow from operations (EBITDA)	-61 972 914	-16 636 191
Changes inventory	-18 998 843	-8 405 579
Changes to debtors and creditors	22 295 317	8 982 612
+/- Change from other periodization items	<u>- 305 436</u>	<u>-11 529 283</u>
A = Net cash flow from operations	<u>-58 981 675</u>	<u>-27 588 441</u>
Cashflow from investments		
- Investments in fixed assets	<u>-23 717 359</u>	<u>-415 785</u>
B = Net cash flow from investments	<u>-23 717 359</u>	<u>-415 785</u>
Cashflow from financing		
+ Issuance of new debt (short and long term) (Credit line)	58 162 659	11 307 191
- Payment of old debt	-39 344 649	-11 850 354
+ New borrowings		
+ Cash from issuance of new equity	<u>44 344 037</u>	<u>52 558 984</u>
C = Net cash flow from financing	<u>63 162 046</u>	<u>52 015 821</u>
+ Opening cash balance 1 January	24 011 595	
A+B+C Net change in cash during year	<u>-19 536 987</u>	<u>24 011 595</u>
= Closing cash balance 31 December	<u>4 474 608</u>	<u>24 011 595</u>
	4 474 608	
diff	0	

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NORWEGIAN CRYSTALS

Accounting principles

The financial statement has been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Revenues

Revenues from goods sold are recognized at the time of delivery. Finished goods are delivered as bricks or as wafers sliced from bricks. Bricks are typically delivered exworks when the risk is transferred and revenue recognized. Alternatively, bricks can be shipped for slicing, which is bought as a service, and then delivered as wafers. The most common term is "delivery FCA Shanghai" when revenue is recognized. Payment conditions are triggered either on delivery or by prepayment.

Classification and assessment of balance sheet items

Current assets and current liabilities include items relating to the operating cycle. Other receivables are classified as current assets if due for settlement within one year after the transaction date. Similar criteria apply to liabilities. Non current assets are assets intended for permanent ownership and use. Non current liabilities are debts due later than one year after the transaction date.

Current assets are valued at the lesser of either cost or fair value. Liabilities are recognized at nominal value amount at the time of establishment.

Receivables

Trade receivables and other receivables are recognized in the balance sheet at nominal value after deduction of provisions for expected losses. Provisions for losses are made on the basis of individual assessments of each receivable.

Inventories

The inventory of purchased goods is valued at the lower of cost according to the FIFO principle and fair value, i.e. net realizable value. Self-produced finished goods and work in progress are valued at the lower of variable cost of production with addition of attributable fixed costs and fair value, i.e. net realizable value. Write-downs are made for predictable obsolescence.

Fixed assets

Tangible fixed assets are recognized at cost less depreciation over the economic useful lives of the assets. This applies to assets with a cost price that exceeds NOK 15 000. Direct maintenance of fixed assets is expensed on an ongoing basis as operating costs, while costs or improvements are added to the cost of the asset and depreciated. The assets are written down to its recoverable amount if this is lower than book value and the impairment is not expected to be temporary.

Currency

The company has NOK as its functional currency. Transactions in foreign currency are converted using the exchange rate at the transaction date. Exchange rate movements are recognized continuously in the accounting period as other financial items. Receivables and debt in foreign currency are booked at the Exchange rate at the date of reporting.

Pension

The company has a defined contribution plan for its employees. The payments to the contribution plans are expensed as incurred and paid on a monthly basis.

Tax

The tax expense in the income statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated at 22% of the temporary differences existing between the tax base and the carrying amount of assets and liabilities in the financial statement, including tax losses carried forward at the end of the accounting year. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

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NORWEGIAN CRYSTALS

Note 1 Payroll expenses

Payroll expenses	2021	2020
Salaries/wages	44,311,376	10,401,376
Salaries on projects to be activated	(3,462,906)	
Salaries on projects classified as research and development	(4,250,287)	
Social security fees	2,361,513	506,464
Pension expenses	2,605,111	790,990
Other remuneration	243,615	862,846
Total	41,808,422	12,561,676

Row Labels	Sum of Beløp	Konto 1200	Konto 7600
20001 - Nytt varehus	22 808,79	22 808,79	
20002 - Nye sager	169 037,55	169 037,55	
21001 - 24" HZ	1 664 737,29		1 664 737,29
21002 - Alternative Dopant project (Skattefunn)	1 165 335,28		1 165 335,28
21003 - Financing/Listing Round	750 703,81		750 703,81
21004 - Expansion/CAPEX	3 822 588,62	3 153 077,68	669 510,94
21005 - Capacity Increase L1+L2	107 953,09	107 953,09	
21006 - FME SuSolTech	10 028,98	10 028,98	
Grand Total	7 713 193,41	3 462 906,09	4 250 287,32

In 2021 the company employed 64 full-time equivalents.

Note 2 Audit fee

	2021	2020
Audit and other services	1,087,495	438,400

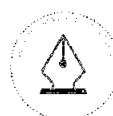
Note 3 Tangible fixed assets

2021

Fixed assets	Land, buildings and other property	Fixtures, fittings and similar assets	Projects	Total fixed assets
Historic cost 01.01.	3,023,667	62,878,015	1,185,378	67,087,060
Additions 2021	0		23,717,358	23,717,358
Disposals 2021	0	0	0	0
Historic cost 31.12.	3,023,667	62,878,015	24,902,736	90,804,418
Accumulated depreciation 01.01.	-50,667	-4,614,915		-4,665,582
Accumulated depreciation 31.12.	-202,667	-14,966,015		-15,168,682
Net book value 31.12.	2,821,000	47,912,000	24,902,736	75,635,736
This year's depreciation	-152,000	-10,351,100		-10,503,100
Economic useful life	27 years	0 - 10 years		
Depreciation plan: Straight Line	3.70%	0 - 25%		

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NORWEGIAN CRYSTALS

Note 4 Goodwill

2021

	Goodwill
Historic cost 01.01.	41,783,846
Additions 2021	0
Disposals 2021	0
Historic cost 31.12.	41,783,846
Accumulated depreciation 01.01.	-1,783,846
Accumulated depreciation 31.12.	-6,983,846
Net book value 31.12.	34,800,000
This year's depreciation	-5,200,000
Economic useful life	8 years
Depreciation plan: Linear	12.50%

The Goodwill of NOK 41.8 million stems from the acquisition of all assets and activities from Gfjord Invest AS. The goodwill is related to the customer portfolio and relationships as well as machinery. These items have a three to five years estimated economic useful lifetime. Management, market competence and operational know how embedded in the organization is expected to have a long-lasting value. As an overall assessment, the lifetime of the Goodwill is estimated at 8 years.

Note 5 Deferred tax

Deferred tax in the balance sheet is determined on the basis of temporary differences existing between the tax base and the carrying amount of assets and liabilities in the financial statement, including tax losses carried forward at the end of the accounting year. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

Temporary differences	1/1/2021	12/31/2021	Change
Tangible fixed assets	14,640,174	15,830,284	-1,190,111
Current assets	-4,009,232	-731,614	-3,277,618
Tax loss carried-forward	-37,716,146	-119,377,777	81,661,630
Net	-27,085,205	-104,279,106	77,193,901
Tax-reducing differences that do not satisfy the recognition criteria	27,085,205	104,279,106	-77,193,901
Total temporary differences on which deferred tax is recognized	0	0	0
Recognized deferred tax asset 31.12.21, based on 22% tax	0	0	0

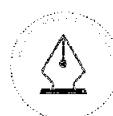
The deferred tax asset of NOK 22 941 403 is not recognized in the balance sheet due to uncertainty related to time of utilization and the strong evidence requirement for future profit.

Note 6 Cash and cash equivalents

Cash and cash equivalents includes a separate tax withholding account of NOK 2.688.565. Withholding tax obligation related to employees is NOK 2.225.807.

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NORWEGIAN CRYSTALS

Note 7 Share capital

At 31.12.2021, the company has registered 132 415 734 shares, each with a face value of NOK 0.10, which equals a total share capital of NOK 13 241 573,40. The company has one class of shares.

Note 8 Shareholders and ownership structure

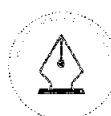
Title	Name	Shares and equity related instruments held by investors related to the Company's Board of Directors and management		Vested (Not Executed) Options
		Number of shares per 31 Dec 2021	Warrants	
Chairman	Tore Schjatz			
	As Director of Granhaug industrier AS	1,305,000		
	As Director of Centurum AS	445,000		
Board member	Ane Nordahl Carlsen			
	As Representative of Grafo AS	3,415,668		
	Self	75,000	1	75,000
Board Member	Tord Kolstad (T Kolstad Eiendom AS)			
	As Director of T Kolstad Eiendom AS	17,597,429		
	Self		1	125,000
Board Member	Reidar Langmo			
	As Director of Rebelljo AS	5,825,000		
	As Director of Gfjord Invest AS (See also Knut Simonsen)	16,589,482		
Board Member	Knut Asgeir Simonsen			
	As Representative of Capricorn / Goldman Sachs & Co. LLC	21,945,210		
	As Director of Gfjord Invest AS (See also Reidar Langmo)	16,589,482		
Board Member	Anders Tindvik	-		-
	Bent Norheim	-		-
	Gøran Bye			
Chief Executive Officer	SchoutByNacht AS	2,387,500		
	Self			666,668
	Blake Barthelmess			
Chief Operating Officer	Self	333,333		333,334
	Ivar Blekastad			
Chief Commercial Officer	Hågaa Pyntegrønt AS	185,500		
	Self			333,334
		70,104,122		1,933,336

Total represents full sum of actual ownership (duplication of Gfjord Invest AS in table above is to provide transparency regarding associated interests).

Warrants were issued in October 2021 in support of a debt facility provided by current investors. Each lender noted in the above table received one warrant, which gives the right to subscribe for a number of shares in the Company proportional to each lender's portion of the Loan (including interest and Underwriting Commission (if any)) divided by the applicable exercise price.

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NORWEGIAN CRYSTALS

The Company's shareholders as of 31.12.2021

The company has 53 shareholders. Shareholdings of more than 1% are listed below.

Shareholder's name	Number of shares registered at 31.12.2021	Ownership
HEKTOR AS	22,500,000	16.99%
Goldman Sachs & Co. LLC	21,945,210	16.57%
T KOLSTAD EIENDOM AS	17,597,429	13.29%
GFJORD INVEST AS	16,589,482	12.53%
Invenor A/S	8,750,000	6.61%
SONGA CAPITAL AS	6,000,000	4.53%
REBELIJO AS	5,825,000	4.40%
HI CAPITAL AS	5,125,000	3.87%
CASFILA INVEST AS	3,820,000	2.88%
GRAFO AS	3,415,668	2.58%
JAHATT AS	3,000,000	2.27%
SCHOUTBYNACHT AS	2,387,500	1.80%
RBC INVESTOR SERVICES TRUST	1,904,452	1.44%
FINANCE RESOURCES TODO AS	1,900,000	1.43%
A.H. HOLDING AS	1,707,834	1.29%
OTHER SHAREHOLDERS	9,948,159	7.51%
Total	132,415,734	100.00%

The company has one class of shares each with one vote in general meetings.

Note 9 Equity

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Equity 01.01.2021	9,674,100	40,684,793		50,358,893
Capital increase	3,567,474	40,776,563		44,344,037
Result of the year		-75,872,917		-75,872,917
Equity 31.12.2021	13,241,573	5,588,439		18,830,012

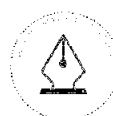
Note 10 Pensions

Occupational pension

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NORWEGIAN CRYSTALS

Note 11 Remuneration to senior executives

Remuneration to the CEO

Name	Period	NOK
Gøran Bye	1 Jan - 31 Dec	1,970,954

The remuneration represents all contribution to the CEO. The CEO has a six (6) month mutual notice period (and no further remunerations) in case of termination of employment with the company.

Bonus agreements

No bonus program was in effect for Norwegian Crystals AS in 2021.

Remuneration to the Board of Directors

Board remuneration has been paid in 2021, NOK 468 750

Board remuneration provision in 2021, NOK 427 083

Transactions with related parties

Norwegian Crystals AS management and personnel offer administrative services to Gfjord Invest AS regulated by a separate Management Agreement approved by the Annual General Meetings in both companies 24 September 2020. Hourly prices are established on arms length distance. Invoicing is done monthly according to hourly lists and subject to Board approval.

The service was terminated with the last invoicing in September 2021, the total consideration was NOK 753 569

Note 12 Sales Revenues

	NOK	
Operating sales revenues	97,609,066	99%
Revenues from sale of assets	70,000	0%
Revenues from sale of services to Gfjord Invest AS	753,569	1% According to Management Agreement
Total Sales Revenues	98,432,635	

90% of sales are to Asian companies and 10% European. 25% of revenues are from sale of brick, 32% is sale of wafer and 43% is sale of polysilicon.

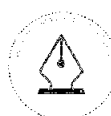
Note 13 Inventories

The company's inventories are valued at the lower of cost according to the FIFO principle and fair value, i.e. net realizable value. Work in progress is valued at the lower of variable cost of production with addition of attributable fixed costs and net realizable value

Inventory	2021	2020
Raw materials	24,939,756	12,136,626
Work in progress	4,536,713	604,380
Finished goods of own production	7,258,990	4,995,610
Total inventory	36,735,459	17,736,616

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NORWEGIAN CRYSTALS

Note 14 Debt / guarantees

Interest-bearing debt		Balance at year end 2021	Due in 2022	Due after 2022	Due after five years
PVA* , purchase of Equipment with vendor financing	4.5% pa/ 4 years	16,114,539	16,114,539	-	
Innovasjon Norge		11,788,335	1,274,415	10,513,920	5,416,262
Meløy Municipality	7.7% pa/ 5 years	3,347,408	2,026,169	1,321,239	
DNB, Innovasjon Norge guarantees for 75% of possible losses		3,750,000	750,000	3,000,000	
Debt to shareholders	10%	30,000,000		30,000,000	
Gfjord Invest AS	3% pa/ 3 years	29,509,338	16,978,226	12,531,112	
Total		94,509,620	37,143,349	57,366,271	5,416,262

Included in the balance with Gfjord Invest is a contract advance with Talesun for wafers, total nok 5.430.726. To be delivered in 2022.

* PVA Crystal Growing Systems GmbH is manufacturing the main equipment used by the company. Crystal Growers sometimes called pullers or furnaces.

Booked values of assets and receivables provided as collateral for loans and guarantees	2021
Buildings	2,821,000
Operating assets	7,617,833
Inventory	36,735,459
Total	47,174,292

Registered mortgage charge	NOK
DNB Bank ASA, factoring agreement	35,000,000
DNB Bank ASA, operating assets	35,000,000
DNB Bank ASA, inventory	35,000,000
PVA Crystal Growing System GmbH, operating assets (EUR 1 990 456 at 9,9888 pr 31.12.2021)	19,882,267
Meløy Municipality (Meløy Development), operating assets	3,000,000
Innovasjon Norge, operating assets	13,000,000
Innovasjon Norge, factoring agreement	13,000,000
Innovasjon Norge, inventory	13,000,000

Note 15 Other receivables

Other receivables and prepaid expenses	2021
Prepaid expenses	9,345,494
Advance invoices projects	4,730,323
VAT receivable	992,984
Total	15,068,801

At year end the company had prepaid NOK 15.8 million for Capex related items and NOK 0.9 million for operational expenses. NOK 25.6 million of the prepayments were financed over a Letter of Credit facility.

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NORWEGIAN CRYSTALS

Note 16 Other current liabilities

Other current liabilities	2021	2020
Share of long-term debt maturing within one year	37,143,349	7,077,229
Provision for holiday pay	2,430,788	2,031,603
Advance from customers	4,258,360	19,203,809
Accrued interest	3,301,900	1,635,215
Other current liabilities	10,990,450	589,359
Total	58,124,847	30,537,215

Note 17 Other operating expenses

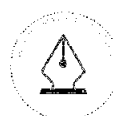
Other operating expenses	2021	2020
Freight costs		224,734
Factor inputs in operation		
Rental costs, renovation etc.	5,070,133	1,604,352
Tools, furniture and hardware	1,266,949	135,158
Software	811,732	245,675
IT support	485,574	108,305
Repair and maintenance	1,127,505	1,585,167
Consultants	5,811,423	1,551,390
Travel expenses	627,194	71,929
Other expenses	2,668,321	325,579
Total	17,868,831	5,852,289

Note 18 Foreign exchange gains/losses

Foreign exchange	2021	2020
Gains	3,651,710	21,705
Losses	2,132,015	421,286
Net foreign exchange gain/loss	1,519,695	-399,581

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NORWEGIAN CRYSTALS

Note 19 Going concern

The annual accounts have been prepared under the assumption the Norwegian Crystals AS remains a going concern.

Norwegian Crystals operates in the solar (aka Photovoltaic / PV) industry. The PV industry has become the platform for the lowest cost energy generation in regions across the world for the third consecutive year. The market is attractive, it has matured, prices are set by the supply and demand relationship, and growth is constant at more than 15% CAGR.

In 2021, the combined effects of Covid-19 and global logistics disruptions had an impact on NCR's supply chain, making it sluggish and unresponsive. Deliveries of necessary consumables and feedstocks were delayed (in some cases) by months. This situation was particularly burdensome for a newly (re)started business like NCR and the Company's financial performance in 2021 suffered accordingly. By providing liquidity reinforcement, shareholders demonstrated support and confidence in the Company and the platform for growth that the Board of Directors and management set out to create. A Private Placement in March 2021 rendered gross proceeds of NOK 45 million. A bridge loan from shareholders for NOK 30 million was executed in October 2021.

After the balance sheet date, additional liquidity reinforcement has been executed, totaling NOK 91 million in new equity raised in share issues in February, May, and June 2022. Most of the new equity has been provided by the original shareholders. However, EIT InnoEnergy, a private/public cooperation, has also participated and now owns around 10% of the issued share capital per the end of June 2022. EIT InnoEnergy is spearheading the decarbonization of Europe by leading industrial value chains in three strategic sectors: battery storage, green hydrogen, and solar photovoltaics. EIT InnoEnergy chose to invest in Norwegian Crystals following a rigorous vetting process that culminated in a formal pitch by NCR Management during EIT InnoEnergy's Investment Committee Board Review in Barcelona late November 2021.

Since the inception of the Company, NCR's Board of Directors and management have been clear that expanded and modern production capacity is necessary for NCR to be competitive. To secure long term competitiveness, management has continued to build the required momentum, relationships, and narrative to develop Norwegian Crystals AS into a visible and critical participant in the European Solar Value Chain. Since January 2022, The Company has formally run a process to raise up to NOK 1.8 billion in growth capital. DNB Markets and Clarksons Platou Securities serve as financial advisors for the Company. It is anticipated that a substantial part of this growth capital will be equity (the "Equity Issue"). Several large strategic investors are now in Due Diligence Investigation of the Company. The Equity Issue is scheduled by the financial advisors to be completed in Q3 2022.

The Board of Directors notes, however, there is always a risk that the Equity Issue will take longer due to longer timelines required by relevant strategic investors. Even if it is not in any way certain that the Company will succeed in raising the growth capital, the board remains positive.

Considering the successful liquidity reinforcement events and the high interest from investors and customer prospects for the expansion, the Board of Directors concludes that Norwegian Crystals AS is a going concern.

Note 20 Events after the balance sheet date

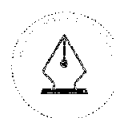
In February 2022, Norwegian Crystals AS invited existing shareholders to participate in a Private Placement of exactly NOK 35 million. The capital raise was intended to enhance and accelerate the company's growth plans and was done at par value (.10 per share).

In May and June 2022, NCR raised another NOK 55 million in three related share issues. This includes the external investment from EIT InnoEnergy. The Company expects this to be fully executed within July, 2022.

Norwegian Crystals AS also initiated fund raising aimed at raising NOK 1.8 billion to support the Company's growth strategy. This process is managed by DNB Markets and Clarksons Platou Securities.

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