



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 917 209 405
Organisasjonsform: Aksjeselskap
Foretaksnavn: EQUINOR REFINING NORWAY AS
Forretningsadresse: 5954 MONGSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Torben Haurum
Dato for fastsettelse av årsregnskapet: 22.06.2023

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 10.07.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue	7	7 323 318 502	2 926 024 469
Other income		189 073 329	265 581 261
Sum inntekter	2	7 512 391 830	3 191 605 730
Kostnader			
Depreciation	8, 9	51 714 294	176 509 600
Nedskrivning av varige driftsmidler og immaterielle eiendeler	8, 9	-11 713 887 577	1 376 900 879
Other expenses	3, 5, 7	5 181 548 690	4 121 425 907
Sum kostnader		-6 480 624 592	5 674 836 385
Driftsresultat		13 993 016 423	-2 483 230 656
Annen rentekostnad	4, 7	429 423 992	-82 012 791
Sum finanskostnader		429 423 992	-82 012 791
Netto finans		-429 423 992	82 012 791
Ordinært resultat før skattekostnad		13 563 592 431	-2 401 217 864
Income tax	6	2 984 857 970	-558 342 403
Ordinært resultat etter skattekostnad		10 578 734 461	-1 842 875 461
Årsresultat	15	10 578 734 461	-1 842 875 461
Årsresultat etter minoritetsinteresser		10 578 734 461	-1 842 875 461
Totalresultat		10 578 734 461	-1 842 875 461



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	8	586 587	
Utsatt skattefordel	6		2 506 993 779
Sum immaterielle eiendeler		586 587	2 506 993 779
Varige driftsmidler			
Equipment		53 346 747	
Production plants and oil and gas assets		11 150 895 756	
Development assets		373 170 910	
Sum varige driftsmidler	7, 9	11 577 413 413	
Finansielle anleggsmidler			
Investering i datterselskap	10	42 701 831 742	6 297 281 742
Investeringer i tilknyttet selskap	10	438 008 547	155 829 440
Sum finansielle anleggsmidler		43 139 840 288	6 453 111 182
Sum anleggsmidler		54 717 840 288	8 960 104 961
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables		876 863 877	449 602 405
Other receivables		90 103 106	285 711 679
Konsernfordringer	7	3 377 030 067	1 656 399 725
Sum fordringer	11	4 343 997 051	2 391 713 808
Sum omløpsmidler		4 343 997 051	2 391 713 808
SUM EIENDELER		59 061 837 339	11 351 818 769

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2022	2021
Egenkapital			
Innskutt egenkapital			
Share capital	16	100 005 000	100 003 000
Annen innskutt egenkapital		43 850 310 601	3 450 312 601
Sum innskutt egenkapital		43 950 315 601	3 550 315 601
Opptjent egenkapital			
Retained earnings		7 578 734 462	
Sum opptjent egenkapital		7 578 734 462	
Sum egenkapital	15	51 529 050 063	3 550 315 601
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6	456 240 751	
Other provisions	12	2 960 768 566	4 221 647 212
Sum avsetninger for forpliktelser		3 417 009 317	4 221 647 212
Annen langsiktig gjeld			
Other non-current liabilities	13	161 051 906	118 983 437
Sum annen langsiktig gjeld		161 051 906	118 983 437
Sum langsiktig gjeld		3 578 061 223	4 340 630 648
Kortsiktig gjeld			
Leverandørgjeld	14	559 684 298	379 328 273
Tax payable	6	21 623 439	
Utbytte	15	3 000 000 000	
Kortsiktig konserngjeld	7, 14	307 142 764	3 051 638 786
Other current liabilities	14	66 275 553	29 905 460
Sum kortsiktig gjeld		3 954 726 053	3 460 872 519
Sum gjeld		7 532 787 276	7 801 503 168
SUM EGENKAPITAL OG GJELD		59 061 837 339	11 351 818 769



Equinor Refining Norway AS

2022

Annual report

Org.no. 917 209 405



Equinor Refining Norway AS

Annual report 2022

Introduction

The primary purpose of Equinor Refining Norway AS (ERN AS) is to own, manage and operate the refinery at Mongstad in the Alver Municipality, as well as to conduct business in the energy sector and related activities.

Equinor Refining Norway AS owns 100% of the shares of Danish energy trading company Danske Commodities A/S (DC). Equinor Refining Norway AS also owns Equinor's 33 1/3 % part of Northern Lights JV DA (NL DA), a company to develop and operate the transport and storage part of Norway's "Longship" project, which includes capture of CO₂ from industrial point sources in the Oslo region.

Operations

Main focus in 2022 was safe, reliable and efficient operations to sustain regularity and production.

The regularity for 2022 was 85.7%, including planned Turnaround and planned and unplanned maintenance shutdowns. In 2022 unplanned shutdowns caused a 9.3% loss in the regularity for the year, due to cracker shutdown in May, prolonged Turnaround in June and fire in a Reformer unit in July.

The refinery processed 7.2 million tons of crude oil, 1.2 million tons of residue and biofuels and 0.9 million tons of condensate. Almost all the crude oil was of Norwegian origin and the main source was Troll blend. The refinery had a production of 8.8 million tons of finished products.

Equinor Refining Norway AS and the partners in the Troll license have terminated the gas agreement delivery to the combined heat and power plant (CHP) with effect of 31.12.2018. A new intermediate gas delivery agreement has been agreed between ERN AS and Equinor ASA until the new project for the Refinery Heater to replace the CHP is completed. The Refinery Heater project was completed in 2022.

Environment and safety

Equinor's operatorship at Mongstad also includes the crude oil terminal (MTDA) and the combined heat and power plant (former MHPP AS, now merged into ERN AS), as well as being Technical Service Provider (TSP) for the Gassco operated Vestprosess plant (VPDA). All assets are operated as an integral part of the refinery. The emission licenses include Equinor's overall operations at Mongstad. The below quoted figures for health, environment and safety are for Equinor as the operator at Mongstad.

The total emissions were 307 tons of SO_x, 1 144 tons of NO_x and 1 678 543 tons of CO₂. Emissions of CO₂ were lower in 2022 compared to 2021 due to the new project for the Refinery Heater to replace the CHP as well as lower regularity and lower production.

Mongstad had 14 oil/gas leakage incidents in 2022 (classified as level 1-4, i.e. above negligible). Volume to ground was 124 liters, spill to sea 5 liters, and emission to air was 87 tons. Largest volume to air was caused by a partly open valve towards the cold vent. Additionally, there were spills of PFAS-free firefighting foam and contaminated water, and HFK gases were refilled.

47% of the generated industrial waste was recycled, a large reduction compared to 2021 due to year specific increase from moisture scavenger and sand from sandblasting to depo.

Mongstad has in 2022 had discharges exceeding the permit to air (BTEX, Pb, CO and SO_x). Management is in close dialogue with the Norwegian Environment Agency regarding these deviations,



and an application for changes in the permit regarding the requirements related to BTEX, Pb and CO has been sent.

There is a strong and continuous focus on safety, and further steps to improve the results have been taken. There were 6 serious incidents (including near miss and condition) in 2022. This gave a serious incident frequency (per million working hours) of 1.6 for 2022 compared to 2.6 for 2021.

The total injury frequency (TRIF) was 10.5 in 2022 compared to 11.1 in 2021.

Finance

The obtained refining margin in 2022 was 10.7 USD/bbl, which was 6.6 USD/bbl higher than in 2021. Due to higher margins the conversion value of crude to refined products increased from 2 926 million NOK in 2021 to 7 323 million NOK in 2022.

The net income for 2022 was 10 579 million NOK including reversal of impairment of 11 714 million NOK for the refinery, compared to -1 843 million NOK (loss) including impairment of 1 377 million NOK for the refinery and reversal of 152 million NOK of shares in Danske Commodities A/S for 2021.

The company had investments in extra funding in Danske Commodities A/S of 36 405 million NOK and investments in Northern Lights JV DA of 282 million NOK in 2022. Other investments in 2022 were 1 264 million NOK compared to 690 million NOK in 2021 (excl. shares in Danske Commodities A/S, shares in Northern Lights JV DA and change in asset retirement obligation). The largest projects in 2022 were the Turnaround 2022, the Revamp of the heater H-101, the Refinery Heat project and the Upgrade of the tank farm 10 and 12.

The Company has no external loans and is financed 100% by the shareholder. The company has received funding from the group of 40 400 MNOK during 2022, of which 36 000 MNOK was additional equity in order to fund the subsidiary Danske Commodities A/S. As the Company is expected to generate cash in 2023 a dividend of 3 000 MNOK will be paid to the shareholder.

Research and development activities related to the Company are executed by Equinor ASA.

The Company has no employees. The personnel are employed by the operator Equinor ASA. For more information about personnel issues such as sick leave, equality etc., the annual report and financial statements for Equinor ASA are referenced.

The Board of Directors consists of four women and one man. The managing director and the board members are covered by a directors and officers liability insurance purchased and maintained by Equinor ASA. The insurance covers Equinor employees who represent Equinor in Equinor's subsidiaries and affiliated companies. The insurance policy is issued by a reputable insurer with an appropriate rating.

The Company's account of due diligence pursuant to the Transparency Act is attached to the financial statements. The full report regarding Equinor's due diligence work, Equinor's Human Rights Statement for 2022 is published on www.equinor.com.

The financial statement for 2022 has been prepared under the assumption of continued operations.

Outlook, risks, and uncertainties

The largest risks associated with the Company's future business value and earnings are the refining margin and the US dollar exchange rate.

The refining industry is experiencing fluctuations in margins from year to year. The market conditions are expected to remain challenging with periods of overcapacity, particularly in the European market. Historically the margin and dollar exchange rate have changed significantly, and there is uncertainty also related to the future level. In 2022 the margins have been exceptionally high. The margins have gradually decreased towards end of 2022 and during 2023, but still at a high level historically.



In the estimates of the future cash flows, the Company has used its best estimates. As margins are expected to decline from current high levels impairments may be applicable in coming years.

With effect from 2021 there is a new Processing service agreement with Equinor ASA in place, and the price structure in the new agreement is the basis for the estimated future cash flows.

Another risk is associated with new product quality requirements and government regulatory framework.

2022 annual accounts include Asset Retirement Obligation. Discounted value of future estimated removal costs is related with some uncertainty.

For further information the financial statements with notes for 2022 are referenced.

Stavanger / Mongstad 9th of June 2023

The Board meeting of Equinor Refining Norway AS

Ole-Tobias Frich (438674)	Christina Daniela Dreetz (600814)	Sidsel Lokna (073806)
<hr/>	<hr/>	<hr/>
Ole-Tobias Frich Chair of the board	Christina Daniela Dreetz Member of the board	Sidsel Lokna Member of the board
Sissel Nepstad (680257)	Jofrid Tone Klokkehaug (038679)	Sturle Bergaas (102105)
<hr/>	<hr/>	<hr/>
Sissel Irene Nepstad Member of the board	Jofrid Tone Klokkehaug Member of the board	Sturle Bergaas General Manager



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 13.06.2017	Vår dato 16.06.2017
Telefon 22078139	Deres referanse Unni Elisabeth Tønning	Vår referanse 2014/508346

STATOIL ASA
Postboks 8500
4035 STAVANGER

MOTT. 20.06.2017

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

— Vi viser til deres brev av 13. juli 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

Statoil Kharyaga AS	org.nr. 917 145 563
Statoil Refining Nowvay AS	org.nr. 917 209 405
Hyberbar Mottaks Beredskap AS	org.nr. 979 832 818

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper 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

Selskapene det søkes om dispensasjon for er alle eiet av Statoil ASA. Statoil ASA fikk 22. september 2014 tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for 113 juridiske enheter. Det søkes nå om tillatelse til å utarbeide årsregnskap og årsberetning for ytterligere tre selskaper i tillegg til selskapene godkjent i 2014 med samme begrunnelse.

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 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

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



tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk 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 Skattedirektoratet lagt særlig vekt på at selskapene inngår i samme konsern. Styrets sammensetning består både av norske og ikke-norske statsborgere. Arbeidsspråket er engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette M. Skovholt
seniorradgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke handskrevne signaturer



FINANCIAL STATEMENTS 2022
Equinor Refining Norway AS
Org.no. 917 209 405



Income Statement			
Equinor Refining Norway AS			
	Note	2022	2021
Revenue and other income			
Revenue	7	7 323 318 502	2 926 024 469
Other income		189 073 329	265 581 261
Total revenue and other income	2	7 512 391 830	3 191 605 730
Operating expenses			
Depreciation	8, 9	-51 714 294	-176 509 600
Impairment	8, 9	11 713 887 577	-1 376 900 879
Other expenses	3, 5, 7	-5 181 548 690	-4 121 425 907
Total operating expenses		6 480 624 592	-5 674 836 385
Net operating income/(loss)		13 993 016 423	-2 483 230 656
Net Financial items	4, 7	-429 423 992	82 012 791
Income/(loss) before tax		13 563 592 431	-2 401 217 864
Income tax	6	-2 984 857 970	558 342 403
Net income/(loss)	15	10 578 734 461	-1 842 875 461



Balance sheet			
Equinor Refining Norway AS			
Assets	Note	2022	2021
Non-current assets			
Intangible assets			
Intangible assets	8	586 587	0
Deferred tax assets	6	0	2 506 993 779
Total intangible assets		586 587	2 506 993 779
Property, plant and equipment			
Development assets		373 170 910	0
Production plants and oil and gas assets		11 150 895 756	0
Equipment		53 346 747	0
Total property, plant and equipment	7, 9	11 577 413 413	0
Financial non-current assets			
Investments in subsidiaries	10	42 701 831 742	6 297 281 742
Investment in equity accounted companies	10	438 008 547	155 829 440
Total financial non-current assets		43 139 840 288	6 453 111 182
Total non-current assets		54 717 840 288	8 960 104 961
Current assets			
Receivables			
Accounts receivables		876 863 877	449 602 405
Receivables from group companies	7	3 377 030 067	1 656 399 725
Other receivables		90 103 106	285 711 679
Total receivables	11	4 343 997 051	2 391 713 808
Total current assets		4 343 997 051	2 391 713 808
TOTAL ASSETS		59 061 837 339	11 351 818 769



Balance sheet			
Equinor Refining Norway AS			
Equity and liabilities	Note	2022	2021
Equity			
Share capital	16	100 005 000	100 003 000
Additional paid-in capital		43 850 310 601	3 450 312 601
Retained earnings		7 578 734 462	0
Total equity	15	51 529 050 063	3 550 315 601
Liabilities			
Non-current liabilities			
Deferred tax liabilities	6	456 240 751	0
Other provisions	12	2 960 768 566	4 221 647 212
Other non-current liabilities	13	161 051 906	118 983 437
Total non-current liabilities		3 578 061 223	4 340 630 648
Current liabilities			
Accounts payable	14	559 684 298	379 328 273
Tax payable	6	21 623 439	0
Dividends payable	15	3 000 000 000	0
Liabilities to group companies	7, 14	307 142 764	3 051 638 786
Other current liabilities	14	66 275 553	29 905 460
Total current liabilities		3 954 726 053	3 460 872 519
Total liabilities		7 532 787 276	7 801 503 168
TOTAL EQUITY AND LIABILITIES		59 061 837 339	11 351 818 769
Stavanger / Mongstad, 09.06.2023 The board of Equinor Refining Norway AS			
<hr/> Jofrid Tone Klokkehaug Member of the board	<hr/> Ole-Tobias Frich Chair of the board	<hr/> Sidsel Lokna Member of the board	
<hr/> Christina Daniela Dreetz Member of the board	<hr/> Sissel Irene Nepstad Member of the board	<hr/> Sturle Bergaas General Manager	
Equinor Refining Norway AS		Page 4	



Cash Flow Statement		
Equinor Refining Norway AS		
Cash Flow Statement	2022	2021
Operating activities		
Income/(loss) before tax	13 563 592 431	-2 401 217 864
Asset retirement obligation provisions	86 859 587	71 341 238
Depreciation and impairment losses	-11 662 173 283	1 401 410 479
Increase/decrease in accounts receivables and other receivables	-231 652 900	-507 153 762
Increase/decrease in accounts payable and other payable	216 726 117	12 046 905
Increase/decrease in current intercompany accounts	-518 137 836	-282 324 599
Cash flow provided by/(used in) operating activities	1 455 214 116	-1 705 897 604
Investing activities		
Purchase/disposal of property, plant and equipment	-1 263 564 951	-689 524 500
Investments in associated company	-282 179 106	-159 971 602
Investment in subsidiaries	-36 404 550 000	0
Cash flow provided by (used in) investing activities	-37 950 294 057	-849 496 102
Financing activities		
Capital contribution	40 400 000 000	0
Increase/decrease in other non current balance sheet items	42 068 469	-11 207 050
Received group contribution	1 150 000 000	2 885 600 998
Cash flow provided by (used in) financing activities	41 592 068 469	2 874 393 948
Net (increase) decrease in cash and cash equivalents	5 096 988 528	319 000 243
Cash and cash equivalents at the beginning of the period	-2 630 787 322	-2 949 787 565
Cash and cash equivalents at the end of the period	2 466 201 206	-2 630 787 322
<p>Cash and cash equivalents at the end of the period in the Cash Flow Statement includes deposits in internal bank arrangement which is presented within the balance sheet item receivables/ (liabilities) from/(to) group companies.</p>		
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Notes to the Financial Statements 2022

Note 1 - Significant accounting policies

The financial statements of Equinor Refining Norway AS are prepared in accordance with the Norwegian Accounting Act of 1998 and Norwegian Generally Accepted Accounting Principles.

The consolidated financial statements can be retrieved from www.equinor.com or copies can be ordered by inquiry to Equinor ASA, 4035 STAVANGER.

Changes in accounting policies and correction of errors

Changes in significant accounting policies and correction of significant errors are applied retrospectively in the financial statements including the notes. Certain amounts in the comparable period have been restated to conform to current period presentation.

Revenue Recognition

Revenue is recognised when it is earned and cost of sales is recognised in the same period as the revenue to which they relate.

Use of estimates

Preparation of the financial statements requires the company to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as disclosures of contingencies. Actual results may ultimately differ from the estimates and assumptions used.

Foreign currency translation

Transactions in foreign currencies are translated to NOK at the foreign exchange rate at the date of the transactions. Monetary assets and liabilities denominated in foreign currency are translated to NOK at the foreign exchange rate at balance sheet date. Realised and unrealised exchange differences arising on translation are recognised as financial items in the income statement.

Classification and valuation of balance sheet items

Current assets and liabilities include items included in the operating cycle or due for payment within one year of the date of acquisition. Other assets are classified as non-current assets. Current assets are valued at the lower of cost or fair value. Current liabilities are recorded at nominal value. Next year's instalments on long-term debt are classified as current liabilities. The group's receivables in cash pool arrangements are treated as receivable/payable from/to group companies.

Receivables

Accounts receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables.

Intangible assets

Intangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses. Intangible assets depreciates on a straight line, over their expected economic lifetime.



Notes to the Financial Statements 2022

Property, plant and equipment

Property, plant and equipment is reflected at cost, less accumulated depreciation and accumulated impairment losses.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of an asset retirement obligation, if any, exploration costs transferred from intangible assets and, for qualifying assets, borrowing costs.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The impairment test is performed at the lowest level where one can identify independent cash inflows. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to recoverable amount. If the carrying value exceeds the assets recoverable amount, the asset or the cash-generating unit the asset belongs to, should be impaired to the recoverable amount. The recoverable amount is the higher of the net selling price and value in use. Value in use is the present value of the future cash flows the asset is expected to generate. The estimated future cash flows are based on reasonable and supportable assumptions, and represents management's best estimate of the different economic conditions that will exist in the cash-generating asset's remaining economic lifetime.

Improvements that significantly increase the capacity or economic lifetime are capitalised.

Depreciation

Depreciation on assets is calculated on a straight-line basis over its estimated economic lifetime.

Investments in subsidiaries and equity accounted companies

Investments in subsidiaries are accounted for by the cost method. The investment is valued at the acquisition cost of the shares, unless impairment has been necessary. The investment is reduced to fair value when the impairment is not considered temporary, and it is deemed necessary in accordance with GAAP. Impairment losses are reversed when the reason for impairment no longer exists.

Participation in joint arrangements that are joint ventures, are accounted for using the equity method.

Interest

Interest is capitalised for major development projects, until the asset is ready for use. Capitalised interest is included as part of the cost and is depreciated along with the asset.

Asset retirement obligation (ARO)

Provisions for ARO costs are recognised when Equinor has an obligation (legal or constructive) to dismantle and remove a facility or an item of property, plant and equipment and to restore the site on which it is located, and when a reliable estimate of that liability can be made. The amount recognised is the present value of the estimated future expenditures determined in accordance with local conditions and requirements. Cost is estimated based on current regulations and technology, considering relevant risks and uncertainties. The discount rate used in the calculation of the ARO is a risk-free rate based on the applicable currency and time horizon of the underlying cash flows. The provisions are classified under the provisions in the balance sheet.



Notes to the Financial Statements 2022

When a provision for ARO cost is recognised, a corresponding amount is recognised to increase the related property, plant and equipment and is subsequently depreciated as part of the cost of the facility or item of property, plant and equipment.

Income Tax

Income tax in the income statement includes the period tax payable and deferred tax. Current tax liabilities and assets are recognised at 22 %. Deferred tax liabilities and assets are recognised at 22 %.

Deferred tax is calculated based on temporary differences between accounting and tax values of assets and liabilities and tax losses carried forward at year-end.

Deferred tax assets are recognised only to the extent that it is probable that the company will have future taxable income, against which the asset can be utilised.

Deferred tax liabilities and deferred tax assets are calculated using the tax rules and tax rates applicable at the balance sheet date.

Cash flow

The cash flow statement has been prepared by using the indirect method according to the preliminary Norwegian accounting standard.

Note 2 - Revenues

	2022	2021
Processing income	7 323 318 502	2 926 024 469
Other income	189 073 329	265 581 261
Total	7 512 391 830	3 191 605 730

Note 3 - Other operating expenses

Auditor's remuneration (excl. VAT)	2022	2021
Audit fees	779 320	414 767
Total	779 320	414 767

There are no employees in the company.

There was no remuneration to the general manager this year.

There was no remuneration to members of the Board this year.

The company is not required to have a mandatory pension scheme.



Notes to the Financial Statements 2022

Note 4 - Net financial items

	2022	2021
Foreign exchange gains (loss), net *	-339 793 584	504 910
Interest income from group companies	28 938 724	0
Other interest income	39 321 035	41 421 899
Reversal impairment of shares in Danske Commodities**	0	152 000 000
Sum interest and other financial income	68 259 759	193 421 899
Interest expenses to Group companies	-812 314	-13 255 811
Other interest expense	-2 360	-338
Other financial expenses	-8 907	-7 022
Loss on investment in associated companies	-70 207 000	-27 309 610
Accretion expense removal obligation	-86 859 587	-71 341 238
Sum interest and other financial expenses	-157 890 167	-111 914 018
Net financial income (expense)	-429 423 992	82 012 791

*Foreign exchange gain/(loss) is mainly related to transactions denominated in EUR.

** Reference to note 10- Investments in subsidiaries and equity accounted companies for details

Note 5 - Operating lease

The company has entered into various vessel lease agreements ending in 2027. These agreements are classified as operating lease in the Financial Statements. In 2022, the lease payments were NOK 20 million.

	2023	2024
Future minimum lease, vessel	20 946 770	21 722 734
Total future minimum lease payments	20 946 770	21 722 734

Note 6 - Income tax

	2022	2021
Tax rate, current tax	22 %	22 %
Tax rate, deferred tax	22 %	22 %
Income tax expense comprises:	2022	2021
Current tax	-21 623 440	0
Increase/(decrease) in deferred tax	-2 963 234 530	558 342 403
Total	-2 984 857 970	558 342 403



Notes to the Financial Statements 2022

Current tax	2022	2021
Income/ (loss) before tax	13 563 592 431	-2 401 217 864
Permanent differences	3 943 793	-136 702 159
Increase/(decrease) temporary differences	-13 142 822 097	1 061 494 254
Tax loss transferred to/from deferred tax basis	-326 425 769	326 425 769
Group contribution received/(submitted)	0	1 150 000 000
Tax base	98 288 358	0

Tax payable in the balance sheet:

Current tax related to profit for the year	-21 623 439	0
Total tax payable	-21 623 439	0

Deferred tax:

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

Temporary differences	2022	2021
Fixed assets*	5 180 753 177	-6 750 703 187
Accruals for liabilities*	-3 106 931 583	-4 318 297 315
Loss carried forward	0	-326 425 769
Total	2 073 821 594	-11 395 426 271

Deferred tax liability/(deferred tax assets)	456 240 751	-2 506 993 779
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Reconciliation of tax expense:

	2022	2021
Income before tax	13 563 592 431	-2 401 217 864
Nominal tax rate: 22%/ 22%	2 983 990 335	-528 267 930
<i>Tax effect from:</i>		
Permanent differences	867 636	-30 074 475
Total	2 984 857 970	-558 342 403



Notes to the Financial Statements 2022

Note 7 - Transactions with related parties

Group companies:

Equinor ASA
Equinor Energy AS
Equinor Holding Netherlands B.V.
Northern Lights DA

Transactions with related parties:

Transactions with related parties relates to processing income, financial services and support services relating to normal operation. Financial items are linked to the internal bank system and to leasing contract. All transactions are conducted as part of the normal course of business and at market prices. The transactions considered significant for this company are listed below.

	2022	2021
Sales of services to group companies	7 323 318 502	2 926 024 469
Share of profit/(loss) from associated companies	-70 207 000	-27 309 610
Purchase of services from group companies	4 886 984 450	4 160 014 231
Purchase of capex from group companies	1 224 243 915	648 102 600
Financial income from group companies	28 938 724	0
Financial expenses from group companies	812 314	13 255 811

For balance sheet items relating to group companies and related parties please see note 11 - Receivables and note 14 - Current liabilities.

Note 8 - Intangible asset

	License
Cost at 01.01.	1 436 808
Additions	0
Cost at 31.12.	1 436 808
Accumulated depreciation at 31.12.	-1 436 808
Reversal of impairment	586 587
Carrying amount 31.12.	586 587



Notes to the Financial Statements 2022

Note 9 - Property, plant and equipment

	Retirement assets	Production plants	Cap. interest on construction loan	Development assets
Carrying amount 31. December 21 as reported	4 090 094 536	28 904 245 465	197 467 091	2 000 420 491
Additions	-1 347 738 233	323 701 666	39 321 035	242 574 712
Transferred to asset in production		1 624 329 109	89 613 850	-1 801 371 975
Cost 31.12.	2 742 356 303	30 852 276 240	326 401 976	441 623 228
Accumulated depreciation at 31.12.	-4 017 041 277	-28 946 936 919	-197 467 091	-2 000 420 491
Impairment/reversal imp.	3 149 625 249	6 374 739 958	87 801 189	1 931 968 173
Carrying amount at 31.12.	1 874 940 275	8 280 079 279	216 736 074	373 170 910
Depreciation	-73 053 259	42 691 454	0	0
Depreciation method	Straight line	Straight line	Straight line	No depreciaton
	Periodic maintenance	Catalysts	Equipment/licenses	Total
Carrying amount 31. December 21 as reported	3 741 901 831	266 016 561	388 426 226	39 588 572 201
Carrying amount at 31. December 21	3 741 901 831	266 016 561	388 426 226	39 588 572 201
Additions	606 286 884	32 598 613	19 082 041	-84 173 282
Transferred to assets in production	86 326 717	0	1 102 299	0
Cost 31.12.	4 434 515 432	298 615 174	408 610 566	39 504 398 919
Accumulated depreciation at 31.12.	-3 819 794 549	-267 917 083	-390 709 086	-39 640 286 496
Impairment/reversal imp.	164 419 245	-30 698 091	35 445 267	11 713 300 990
Carrying amount at 31.12.	779 140 128	0	53 346 747	11 577 413 413
Depreciation	77 892 718	1 900 522	2 282 860	51 714 294
Depreciation method	Straight line	Straight line	Straight line	

In 2019 impairment losses of 4 888 million NOK was recognized due to reduced refinery margins and increased cost estimates. In 2020 a new impairment of 8 415 million NOK was recognized based on further reduction in the refinery margin and increased Co2-costs, quotas and capex. After the impairment in 2020 the new book value of the asset was 0. During 2022 there has been positive market development and the assumptions for both the short and long term margins have improved. The company has used best estimates of future cash flows for impairment calculations. The new net present value of the asset per year end 2022 has led to a reversal of previous impairment of 11 713 million NOK.



Notes to the Financial Statements 2022

Note 10 - Investments in subsidiaries and equity accounted companies

	Danske Commodities A/S
Registered office	Denmark
Voting share %	100%
Opening balance at 1 January 2022	6 297 281 742
Capital contribution	36 404 550 000
Closing balance at 31 December 2022	42 701 831 742
Total equity	58 876 060 399
Result 2022	14 806 211 493

	Northern Lights JV DA
Registered office	Norway
Voting share %	33,33%
Opening balance at 1 January 2022	155 829 440
Capital contribution	352 386 107
Share of profit/(loss)	-70 207 000
Closing balance at 31 December 2022	438 008 547

Note 11 - Receivables

Accounts receivables	2022	2021
Accounts receivables from group companies	876 863 877	449 602 405
Total	876 863 877	449 602 405
Current receivables from group companies		
Internal bank*	2 466 201 206	0
Other current group receivables	910 828 861	506 399 725
Group contribution - Statholding AS	0	1 150 000 000
Total	3 377 030 067	1 656 399 725
Other current receivables		
Other current receivables	89 934 029	285 607 715
VAT	169 077	103 965
Total	90 103 106	285 711 679
Total receivables	4 343 997 051	2 391 713 808

*The company is taking part in an internal cash pool arrangement with Equinor ASA.



Notes to the Financial Statements 2022

Note 12 - Other provisions

The provision includes asset retirement obligations. Estimated interest expense on the obligation is classified as a finance cost in the income statement.

	2022	2021
Cost at 31 December 2021 as reported	4 221 647 212	5 274 270 000
Accretion expense on the liability	86 859 587	71 341 238
Changes in estimates	-1 347 738 233	-1 123 964 026
Asset retirement obligations at 31.12.	2 960 768 566	4 221 647 212
Non-current assets related to the retirement at 31 December 2021 as reported	0	1 618 616 808
Changes in estimate	-1 347 738 233	-1 123 964 026
Depreciation	73 053 259	6 830 146
Reversal of impairment	3 149 625 249	-501 482 928
Non-current assets related to the retirement at 31.12.	1 874 940 275	0

* See note 9 Property, plant and equipment

Note 13 - Non-current liabilities

	2022	2021
Long-term provisions and accrued expenses		
Waste disposal - uncertain liability	146 163 017	96 650 104
Prepayment stream from Vestprosess DA	14 888 889	22 333 333
Total	161 051 906	118 983 437

Waste disposal is a provision for disposing of sludge and special waste with an inspection interval of 5-10 years. The time of settlement is considered continuously based on quarterly checks. The total amount is uncertain as the amount of waste that accumulates over the current period and the cost of this is uncertain.



Notes to the Financial Statements 2022

Note 14 - Current liabilities

	2022	2021
Accounts payable		
Accounts payable to group companies	529 177 650	379 328 273
Accounts payable	30 506 647	0
Total	559 684 298	379 328 273
Current liabilities to group companies		
Internal bank*	0	2 630 787 322
Other current inter-company liabilities	307 142 764	420 851 464
Total	307 142 764	3 051 638 786
Other current liabilities		
Accrual other current liabilities	66 275 553	29 905 460
Total	66 275 553	29 905 460

*The company is taking part in an internal cash pool arrangement with Equinor ASA.

Note 15 - Equity

	Share capital	Additional paid-in capital	Retained earnings	Total equity
Total equity 01.01.	100 003 000	3 450 312 601	0	3 550 315 601
Net income			10 578 520 768	10 578 520 768
Capital contribution	2 000	40 399 998 000		40 400 000 000
Dividend	0	0	-3 000 000 000	-3 000 000 000
Total equity 31.12.	100 005 000	43 850 310 601	7 578 520 768	51 528 836 369

The company has no external loans and is financed 100% by the shareholder. The company has received funding from the group of 40 400 MNOK during 2022, of which 36 000 MNOK was additional equity in order to fund the subsidiary Danske Commodities AS. As the company is expected to generate cash in 2023 a dividend of 3 000 MNOK will be paid to the shareholder.

Note 16 - Share capital and shareholder information

The share capital consists of 1 000 shares with a value NOK 100 005 per share. All shares have the same voting rights.

Shareholder information

All shares are owned by Equinor ASA.



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Equinor Refining Norway AS

Opinion

We have audited the financial statements of Equinor Refining Norway AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2022 and its financial performance and 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 in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) is responsible for the other information. 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 board of directors' report contains the information required by legal requirements and 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, 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 and 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 and using the



going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the 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, 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.

Bergen, 12 June 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Truls Nesslin
State Authorised Public Accountant (Norway)

Independent auditor's report - Equinor Refining Norway AS 2022

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Truls Nesslin

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