



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 914 888 646  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: CORVUS ENERGY AS  
Forretningsadresse: Sandbrekketoppen 30  
5224 NESTTUN

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### 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: Mette Rokne Hanestad  
Dato for fastsettelse av årsregnskapet: 25.05.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*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, 08.09.2022



### Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue		530 654 903	162 839 045
Other operating income		26 400	854 535
<b>Sum inntekter</b>		<b>530 681 303</b>	<b>163 693 580</b>
<b>Kostnader</b>			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer		-1 726 060	1 414 501
Cost of materials		396 086 467	105 341 936
Personnel expenses	12	38 028 832	29 769 386
Depreciation of operating and intangible assets		9 625 379	2 099 798
Other operating expenses	12	71 652 200	54 496 563
<b>Sum kostnader</b>		<b>513 666 819</b>	<b>193 122 184</b>
<b>Driftsresultat</b>		<b>17 014 484</b>	<b>-29 428 605</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		34 510	21 729
Other financial income	13	-3 944 029	2 814 525
<b>Sum finansinntekter</b>		<b>-3 909 519</b>	<b>2 836 255</b>
Annen rentekostnad		3 737 696	1 337 552
Other financial expenses			59 984
<b>Sum finanskostnader</b>		<b>3 737 696</b>	<b>1 397 536</b>
<b>Netto finans</b>		<b>-7 647 215</b>	<b>1 438 719</b>
<b>Ordinært resultat før skattekostnad</b>		<b>9 367 269</b>	<b>-27 989 886</b>
Tax on ordinary result	14		-20 666
<b>Ordinært resultat etter skattekostnad</b>		<b>9 367 269</b>	<b>-27 969 220</b>
<b>Årsresultat</b>		<b>9 367 269</b>	<b>-27 969 220</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>9 367 269</b>	<b>-27 969 220</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Totalresultat</b>		<b>9 367 269</b>	<b>-27 969 220</b>
<b>Overføringer og disponeringer</b>			
Allocated to other equity		9 367 269	-27 969 220
<b>Sum overføringer og disponeringer</b>	<b>2</b>	<b>9 367 269</b>	<b>-27 969 220</b>



### Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Research and development	3	4 993 293	1 884 644
<b>Sum immaterielle eiendeler</b>		<b>4 993 293</b>	<b>1 884 644</b>
<b>Varige driftsmidler</b>			
Buildings and land		767 432	839 529
Machinery and equipment		59 118 401	64 533 994
Equipment and other movables		11 402 857	11 344 027
<b>Sum varige driftsmidler</b>	4	<b>71 288 690</b>	<b>76 717 549</b>
<b>Finansielle anleggsmidler</b>			
Other long-term receivables		65 123	228 639
<b>Sum finansielle anleggsmidler</b>		<b>65 123</b>	<b>228 639</b>
<b>Sum anleggsmidler</b>		<b>76 347 105</b>	<b>78 830 831</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	5	<b>55 511 294</b>	<b>85 955 500</b>
<b>Fordringer</b>			
Accounts receivables		54 178 697	40 678 706
Other short-term receivables	7	86 354 720	31 433 054
Konsernfordringer	11, 11	172 165 082	81 052 452
<b>Sum fordringer</b>		<b>312 698 498</b>	<b>153 164 212</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and bank deposits	6	22 370 470	17 109 157
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>22 370 470</b>	<b>17 109 157</b>
<b>Sum omløpsmidler</b>		<b>390 580 262</b>	<b>256 228 869</b>
<b>SUM EIENDELER</b>		<b>466 927 367</b>	<b>335 059 700</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital		3 000 000	3 000 000
Overkurs		76 149 686	76 149 686
Annen innskutt egenkapital		74 750 626	23 883 358
<b>Sum innskutt egenkapital</b>	2	<b>153 900 312</b>	<b>103 033 044</b>
<b>Sum egenkapital</b>	2	<b>153 900 312</b>	<b>103 033 044</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Other long term liabilities	8	73 825 000	38 344 000
<b>Sum annen langsiktig gjeld</b>		<b>73 825 000</b>	<b>38 344 000</b>
<b>Sum langsiktig gjeld</b>		<b>73 825 000</b>	<b>38 344 000</b>
<b>Kortsiktig gjeld</b>			
Liabilities to financial institutions	9	66 689 411	23 630 468
Leverandørgjeld		53 622 607	56 869 472
Public duties payable		9 107 580	8 614 217
Other current debt	10	109 782 458	104 568 500
<b>Sum kortsiktig gjeld</b>		<b>239 202 055</b>	<b>193 682 657</b>
<b>Sum gjeld</b>		<b>313 027 055</b>	<b>232 026 657</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>466 927 367</b>	<b>335 059 700</b>



Skatteetaten

Our date 11.03.2019	Din/Your date 01.03.2019	Inquiries to Torstein Kinden Helleland
800 80 000 Tax Administration Norway.no	Din/Your reference Mette Rokne Hanestad	Telephone 22078139
Org.nr 974761076	Our reference 2019/5483519	Postal address P.O. Box 9200 Grønland 0134 OSLO

CORVUS ENERGY HOLDING AS  
P.O. Box 41 Blomsterdalen  
5868 BERGEN

## Permission to prepare the annual accounts and directors' report in English language

With reference to your letter of 1 Mars 2019 with respect to the above matter regarding;

**Corvus Energy Holding AS** org.nr. 920 988 857 (Parent company)  
**Corvus Norway AS** org.nr. 914 888 646

Based on a total evaluation, the view of The Directorate of Taxes is that companies mentioned above may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the company to document by this letter that the permit is granted.

### Background

From your letter:

*Corvus Energy Group is a group of companies and is the world's leading supplier of energy storage solutions within the maritime industry.*

*The owners wish to keep the group report and statement as well as the companies' annual report and statement in English language. The working language for the company group is English.*



*Furthermore, the group is highly international in the sense that it operates throughout the world, and the group has several legal entities/companies and owners in different countries. As of now, the group includes company that are taxable in other jurisdictions and this activity is likely to increase in the future. Further, due to the groups international operations and international stakeholders, the consolidated accounts and the accounts for each entity within the group needs to be presented in different jurisdictions and therefore be prepared in English.*

*A significant share of the users of the companies' accounts, including financial institutions, contracting parties, customers and suppliers are foreign/international companies or institutions. The companies' users, who are not foreign/international companies or institutions, master and use English language.*

**Permission to make the annual accounts and the directors' report in Norway in English language**

According to the Norwegian Accounting Act § 3-4, third paragraph shall *"the directors' report and annual accounts ... be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language"*.

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

*"The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors, which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information."*

Hence, one of the main aims of the Accounting Act is to contribute to *"informative accounts for different users of accounts"*. The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors' report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information, which has to be taken into consideration when considering the application for permission. In this assessment, the Directorate of Taxes has emphasized that 95 % of the stakeholders are foreign. The companies is a part of an international group. All key players and partners in the industry speak and use English.



Please state "our reference" (see above) in all written communication with the Norwegian Tax Authorities.

Best regards

Henning Stokke  
Senior Adviser  
Legal Department  
Norwegian Directorate of Taxes

Torstein Kinden Helleland

*This document has been electronically approved and contains therefore no handwritten signatures.*



To the General Meeting of Corvus Energy AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of Corvus Energy AS, which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the accounts, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, 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.

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#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### *Other information*

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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*PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen  
T: 02316, org. no.: 987 009 713 VAT, www.pwc.no  
State authorised public accountants, members of The Norwegian Institute of Public Accountants, and  
authorised accounting firm*



Independent Auditor's Report - Corvus Energy AS



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### *Responsibilities of the Board of Directors and the Managing Director for the Financial Statements*

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

### *Report on Other Legal and Regulatory Requirements*

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#### *Opinion on the Board of Directors' report*

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

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#### *Opinion on Registration and Documentation*

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

(2)



Independent Auditor's Report - Corvus Energy AS



Bergen, 25 May 2021  
**PricewaterhouseCoopers AS**

Marius Kaland Olsen  
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Auditor's report

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Olsen, Marius Kaland	BANKID	2021-05-26 08:23

**This document package contains:**

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- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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The seal is a guarantee for the authenticity  
of the document.



## Corvus Energy AS

Board of Director's report for the year ended December 31, 2020

### Company and business

Corvus Energy AS' operations consist of developing and commercializing high energy battery systems, battery management systems and applications. The Company's operations are located in Porsgrunn and Bergen, Norway. The Company sells its products to end customers and integrators as well as through contract sales agents.

### Market development

With an increased focus on sustainable solutions world-wide, Corvus is attractive as we are *Powering a Clean Future*.

The global market has been impacted by the Covid 19 pandemic which has led to lower order intake and revenue than expected. The second quarter in 2020 was especially impacted by the insecurity of the effect of the pandemic. During the second half of 2020, the market started to pick up and Corvus experienced a 32% increase in revenue compared to 2019.

During 2020 and the first part of 2021, the market has shown a steady increase in demand for more sustainable solutions. This is mainly driven by the Norwegian/European maritime market, but we are also seeing an increase in both the North American and Asian markets. We continue to see growth in the passenger ferry segment and are experiencing an increase in demand for battery systems for the large passenger vessel segments.

The order book at the end of May 2021 represents more than the revenue for the year ended December 31, 2020 and shows the strong focus on lower emissions in the maritime market.

### Market Segments

Our product portfolio covers seven individual maritime batteries, developed to meet the specific requirements of different market segments. Lightweight batteries for fast passenger craft, large battery systems for cruise and ro-pax, batteries with high cycling capability for ferries and offshore, and subsea batteries for ROV operations – Corvus supplies competitive ESSs for these applications and more.

### Financial results

During the year ended December 31, 2020 Corvus Energy experienced a significant growth in revenues, with an increase of 224% (compared with the year ending December 31, 2019). The net profit at year end 2020 was MNOK 9,37 compared to MNOK 27,97 net loss for the year ended December 31, 2019.

EBITDA for 2020 totaled a positive MNOK 26,64 compared with negative MNOK 27,33 in 2019. The positive EBITDA is due to an increase in revenue and margins in 2020, and lower administration & operations cost. The lower costs are due to a cost reduction program and a more normalized operational activity compared to 2019 when the Company had a higher cost level due to restructuring the group and building up operations.



The Company's total assets were MNOK 466,5 as of December 31, 2020 compared to MNOK 355,1 as of December 31, 2019 mainly due to an increase in trade receivables offset by reduction in inventory

Cash flow from operating activities was negative MNOK 95 for the year ended December 31, 2020 compared to negative MNOK 35 in 2019. Net cash flow in 2020 is positive MNOK 5,26 compared to positive MNOK 13,7 in 2019.

### **Going concern**

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue operating in the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business.

During the year ended December 31, 2019 Corvus experienced a large growth in revenues and improved contribution margin.

The group is in a growth period and this requires liquidity. In 2020 the Company experienced effects of the Covid 19 pandemic with lower revenues and order intake than expected. Corvus experienced no order cancellations and has delivered all orders according to contract. The Company secured a MNOK 90 revolving credit facility with DNB in early 2020. Together with increased revenue this has contributed to sufficient liquidity in 2020, and the Company has handled their obligations with customers, employees, banks, and vendors. The Company started several cost cutting activities in 2020, focused to secure revenue and experience positive EBITDA MNOK 26.6 in 2020 and a 224% increase in revenue, even in a year affected by the Covid 19 pandemic.

In 2021 some uncertainties caused by Covid-19 pandemic remain and the Company's revenues and order intake for 2021 may be affected. In February 2021 the revolving credit facility of MNOK in DNB has been renewed until June 30, 2022.

The Company is subjected to various covenants under its financing arrangements as described in notes to the consolidated financial statements. The Company has secured 83% of the expected revenue in 2021 and, even with some uncertainty remaining related to the Covid 19 effect, there is strong outlook for the ESS market, and the Company has secured financing through June 2022. As a result, no material uncertainty regarding the going concern capability of the Group exists. The consolidated financial statement has been prepared on a going concern basis.

### **Sustainability**

Sustainability and corporate social responsibility are areas of strategic importance to Corvus Energy. The company's strategic and commercial priorities must help ensure sustainable development and make our operation attractive to our diverse stakeholders: shareholders, authorities, customers, suppliers, collaborative partners, employees, or voluntary organizations. Through the entire value chain from design and procurement to production and operation of installed maritime battery systems, re-use and final recycling is an important part of our strategy.



## Quality, Health, Environment, and Safety

The Company is certified according to the ISO 9001:2015 and ISO 14001:2015 standards for Quality and Environmental Management, with a focus on carrying out our business in a manner that assures the best protection for our customers, the environment, employees, and external partners. We are compliant with local, regional, and global regulations. Requirements are followed up and ensured through both external and internal audit activities.

Both ISO certificates were successfully renewed during the re-certification audit in 2020. All personnel are appropriately trained according to the Corvus Energy QHSE standard and are encouraged to participate in the proactive and preventive effort to ensure continued QHSE excellence. The Company has established a set of objectives and KPIs to ensure proper tracking and education to drive continuous improvement in the overall performance of Corvus Energy.

The Company has established a DNVGL MSA Agreement for its Bergen factory as result of the proven track record of production quality and has initiated Operational Excellence and Quality Assurance projects to further modernize and enhance its QHSE performance.

## Human resources and diversity

The Company is proud to be an equal opportunity employer. All qualified applicants and employees are treated without regard to gender, nationality, disability, religion, race or color. The professional development and personal growth of the employees is vital to the success of the Company.

The Company had 57 FTEs in 2020, with women constituting 12% of the workforce. We do not tolerate any form of harassment or discrimination, including but not limited to gender, race, color, religion, political views, union affiliation, ethnic background, disability, sexual orientation or marital status, or any form of forced labor or child labor abuse. It is the Company's ambition to create a good working environment by offering challenging and motivating tasks and equal development opportunities to all employees. The absence due to sickness was, on average, less than 2.3% during 2020.

## Principal risk

The Company is exposed to a variety of risks, including market, operational, liquidity and financial risks. Actions to mitigate risk include the Company's deployment of an enterprise-wide risk assessment and management process, which is designed to identify, analyze and minimize risk exposures.

The Company's main risks are fluctuations in the market for ESS systems, limitations in supply chain and cash flow risk related to a customer's ability to meet their obligations. In addition, the Company is growing quickly and this increases the need for working capital and working capital financing. The Company has mainly revenue and cost in US dollars and as a limited FX risk.

## Outlook

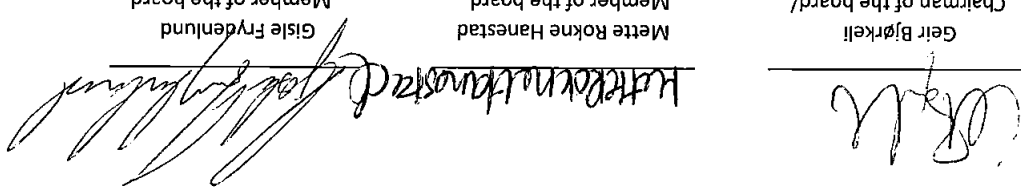
With an increased focus on sustainable solutions world-wide, Corvus is attractive as we are **Powering a Clean Future**. Interest in hydrogen for maritime applications has been increasing rapidly, with hydrogen power seen as an important step to reach shipping's ambitious goal to cut greenhouse gas emissions by



Geir Bjørkeli  
Chairman of the board/  
General manager

Mette Rokne Hanestad  
Member of the board

Gisle Frydenlund  
Member of the board



Bergen May 25, 2021

50% by 2050. Fuel cell technology was recently added to the Company's portfolio of energy storage solutions.

The order book at the end of May 2021 represents more than the revenue for the year ended December 31, 2020 and shows the strong focus on lower emissions in the maritime market. The Company's partnership agreement with Toyota secures Corvus access to proven fuel cell technology while enabling large-scale production and competitive pricing. This project has received MUSD 5.9 in funding from state agency Innovation Norway bolstering Corvus' front-runner position in clean technology for maritime and other sectors.

The Company has secured 83% of the order intake for 2021 and believes that maritime electrification is at an inflexion point, thus creating an expectation of a significant increase in the addressable market for ESS solutions and fuel cells. There are numerous secular tailwinds behind the electrification of shipping with passenger demand for greener experiences, battery economics, higher adoption rates and increasing IMO regulations. The Company strongly believes in the electrification of the shipping industry by replacing & hybridizing conventional marine engines.



## INCOME STATEMENT

### CORVUS ENERGY AS

OPERATING INCOME AND EXPENSES	Note	2020	2019
Revenue		530 654 903	162 839 045
Other operating income		26 400	854 535
<b>Total operating income</b>		<b>530 681 303</b>	<b>163 693 580</b>
Cost of materials		396 086 467	105 341 936
Variation in stocks of work in progress and produced goods		-1 726 060	1 414 501
Personnel expenses	12	38 028 832	29 769 386
Depreciation of operating and intangible assets		9 625 379	2 099 798
Other operating expenses	12	71 652 200	54 496 563
<b>Total operating expenses</b>		<b>513 666 819</b>	<b>193 122 184</b>
<b>Operating profit</b>		<b>17 014 484</b>	<b>-29 428 605</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Other interest income		34 510	21 729
Other financial income	13	-3 944 029	2 814 525
Other interest expenses		3 737 696	1 337 552
Other financial expenses		0	59 984
<b>Net financial income/loss</b>		<b>-7 647 215</b>	<b>1 438 719</b>
Operating result before tax		9 367 269	-27 989 886
Tax on ordinary result	14	0	-20 666
<b>Ordinary result after tax</b>		<b>9 367 269</b>	<b>-27 969 220</b>
<b>EXTRAORDINARY INCOME AND EXPENSES</b>			
<b>Annual net profit</b>		<b>9 367 269</b>	<b>-27 969 220</b>
<b>BROUGHT FORWARD</b>			
Allocated to other equity		9 367 269	-27 969 220
<b>Net brought forward</b>	2	<b>9 367 269</b>	<b>-27 969 220</b>



### BALANCE SHEET

#### CORVUS ENERGY AS

ASSETS	Note	2020	2019
<b>FIXED ASSETS</b>			
<b>INTANGIBLE ASSETS</b>			
Research and development	3	4 993 293	1 884 644
<b>Total intangible assets</b>		<b>4 993 293</b>	<b>1 884 644</b>
<b>TANGIBLE ASSETS</b>			
Buildings and land		767 432	839 529
Machinery and equipment		59 118 401	64 533 994
Equipment and other movables		11 402 857	11 344 027
<b>Total tangible assets</b>	4	<b>71 288 690</b>	<b>76 717 549</b>
<b>FINANCIAL FIXED ASSETS</b>			
Other long-term receivables		65 123	228 639
<b>Total financial fixed assets</b>		<b>65 123</b>	<b>228 639</b>
<b>Total fixed assets</b>		<b>76 347 105</b>	<b>78 830 831</b>
<b>CURRENT ASSETS</b>			
Inventories	5	55 511 294	85 955 500
<b>DEBTORS</b>			
Accounts receivables		54 178 697	40 678 706
Accounts receivables group companies	11	103 471 528	17 040 956
Other short-term receivables	7	86 354 720	31 433 054
Receivables from group companies	11	68 693 554	64 011 496
<b>Total receivables</b>		<b>312 698 498</b>	<b>153 164 212</b>
<b>INVESTMENTS</b>			
Cash and bank deposits	6	22 370 470	17 109 157
<b>Total current assets</b>		<b>390 580 262</b>	<b>256 228 869</b>
<b>Total assets</b>		<b>466 927 367</b>	<b>335 059 700</b>



**BALANCE SHEET**

**CORVUS ENERGY AS**

EQUITY AND LIABILITIES	Note	2020	2019
<b>EQUITY</b>			
<b>PAID-UP EQUITY</b>			
Share capital		3 000 000	3 000 000
Share premium reserve		76 149 686	76 149 686
Other paid-up equity		74 750 626	23 883 358
<b>Total paid-up equity</b>	<b>2</b>	<b>153 900 312</b>	<b>103 033 044</b>
<b>RETAINED EARNINGS</b>			
<b>Total equity</b>	<b>2</b>	<b>153 900 312</b>	<b>103 033 044</b>
<b>LIABILITIES</b>			
<b>PROVISIONS FOR LIABILITIES</b>			
<b>OTHER LONG-TERM LIABILITIES</b>			
Other long term liabilities	8	73 825 000	38 344 000
<b>Total of other long term liabilities</b>		<b>73 825 000</b>	<b>38 344 000</b>
<b>CURRENT DEBT</b>			
Liabilities to financial institutions	9	66 689 411	23 630 468
Trade creditors		53 622 607	56 869 472
Public duties payable		9 107 580	8 614 217
Other current debt	10	109 782 458	104 568 500
<b>Total current debt</b>		<b>239 202 055</b>	<b>193 682 657</b>
<b>Total liabilities</b>		<b>313 027 055</b>	<b>232 026 657</b>
<b>Total equity and liabilities</b>		<b>466 927 367</b>	<b>335 059 700</b>

Bergen, 25.05.2021

The board of Corvus Energy AS

Geir Bjørkeli

chairman of the board/General Manager

Mette Rokne Hanestad

member of the board

Gisle Frydenlund

member of the board



## Corvus Energy AS

### Cash Flow Statement

(expressed in Norwegian kroner)

	Note	Year ended 31.12.2020	Year ended 31.12.2019
<b>Cash flows from operating activities</b>			
Income/(loss) for the period	16	9 367 269	(27 948 554)
Tax payable	14	-	(502 587)
Items not affecting cash			
Interest expense and financing costs	13	7 647 215	(1 438 718)
Depreciation	3/4	9 625 379	2 099 798,00
Changes in operating working capital items			
Trade and other receivables	11	-149 028 222	31 211 991
Inventory	5	30 444 206	(84 533 068)
Trade and other payables	10	-3 246 865	46 105 845
<b>Cash flows from operating activities</b>		<b>(95 191 018)</b>	<b>(35 005 293)</b>
<b>Cash flows from investing activities</b>			
Payments recieved on recievables from group companies	11	36 864 771	67 949 515
Purchase of fixed assets	3/4	(7 305 168)	(64 321 536)
<b>Cash flows from investing activities</b>		<b>29 559 603</b>	<b>3 627 979</b>
<b>Cash flows from financing activites</b>			
Change in net bearing interest liabilities	8/9	78 539 943	43 663 546
Interest expense and financing costs	13	(7 647 215)	1 438 718
<b>Cash flows from financing activites</b>		<b>70 892 728</b>	<b>45 102 264</b>
<b>Net change in cash and cash equivalents</b>		<b>5 261 313</b>	<b>13 724 950</b>
<b>Increase in cash due to merger</b>		<b>-</b>	<b>1 761 917</b>
<b>Cash and cash equivalents - Beginning of period</b>	6	<b>17 109 157</b>	<b>1 622 290</b>
<b>Cash and cash equivalents - End of period</b>	6	<b>22 370 470</b>	<b>17 109 157</b>



Corvus Energy AS

Notes to the accounts for 2020

## Note 1 - Accounting principles

Corvus Energy AS ("Corvus" or "the Company") is a fully owned subsidiary of Corvus Energy Holding AS, which was established on December 21, 2018, domiciled in Bergen, Norway. The annual report is prepared in compliance with the Norwegian Accounting Act 1998 and generally accepted accounting principles.

The Company changed the year end to December 31 from March 31 in 2018. On February 6, 2019, Corvus Energy Holding AS acquired all the shares in Grenland Energy AS. Corvus Energy AS and Grenland Energy AS merged with accounting and tax effect from the 1st of January 2019. The merged entities were under common control, and the business combination was carried out with continuation of book values and tax positions. Corvus Energy AS changed name from Corvus Norway AS in 2019.

The parent company, Corvus Energy Holding AS has its registered office in Bergen (Sandbrekkesletta 30), where the consolidated financial statements are available.

### *Revenues and expenses*

Operating revenues are recognised as income at the time of delivery and when risk and control has been transferred. Expenses are recognised in the in the same period as corresponding revenues, in accordance with the matching principle.

### *Research and development costs*

Research costs are expensed as incurred. Where the deferral criteria established under IFRS are satisfied in all material respects, development costs are capitalized and amortized over the estimated life of the related products. Otherwise, development costs are charged as an expense in the period incurred. All development costs to date have been expensed as incurred.

### *Balance sheet classification*

Current assets and current liabilities relates to items which is due within one year from the date of purchase. Other balance sheet items are classified as fixed assets / long-term liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

*Current assets* are valued at the lower of historical cost and fair value. Current liabilities are carried at nominal value at the date of issue. Fixed assets are valued at historical cost, but are written down to recoverable amount in the event of impairment which is not deemed to be temporary.

*Fixed assets* are valued at historical cost less accumulated depreciation. Depreciation is recognised on a straight line basis over the remaining expected useful life of each asset, adjusted for the residual value. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an assets is expensed as an operating expense as it occurs. Additions or improvements are added to the asset's cost price and depreciated along with the asset.

*Long-term liabilities* are recognised at nominal value.

### *Pensions*

Pension liabilities financed through operations is calculated and recognised in the balance sheet as a provision. Pension liabilities financed through secured schemes are not recognised in the balance sheet. The pension premium are in such cases seen as a pension cost, and is classified as salary in the profit and loss statement. The company has a defined contribution scheme for its employees.

### *Trade and other receivables*

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.



## Corvus Energy AS

## Notes to the accounts for 2020

### *Inventories*

Inventory is recorded at the lower of cost and net realizable value. Costs of raw materials are determined using the weighted average cost formula.

### *Exchange rates*

Assets and liabilities denoted in foreign currency are converted to NOK using the closing rate of exchange.

### *Income tax*

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balanced out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax asset will be utilised.

### *Use of estimates*

The management has used estimates and assumptions in the preparation of the financial statements that have effect on the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date in accordance with the generally accepted accounting principles in Norway.

### *Going concern*

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue operating in the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business.

During the year ended December 31, 2019 Corvus experienced a large growth in revenues and improved contribution margin.

The company is in a growth period and this requires liquidity. In 2020 the Company experienced effects of the Covid 19 pandemic with lower revenues and order intake than expected. Corvus experienced no order cancellations and has delivered all orders according to contract. The Company secured a MNOK 90 revolving credit facility with DNB in early 2020. Together with increased revenue this has contributed to sufficient liquidity in 2020, and the Company has handled their obligations with customers, employees, banks, and vendors. The Company started several cost cutting activities in 2020, focused to secure revenue and experience positive EBITDA of MNOK 26,6 in 2020 and a 224% increase in revenue, even in a year affected by the Covid 19 pandemic.

In 2021 some uncertainties caused by Covid-19 pandemic remain and the Company's revenues and order intake for 2021 may be affected. In February 2021 the revolving credit facility of MNOK in DNB has been renewed until June 30, 2022.

The Company is subjected to various covenants under its financing arrangements as described in notes to the consolidated financial statements. The Company has secured 83% of the expected revenue in 2021 and, even with some uncertainty remaining related to the Covid 19 effect, there is strong outlook for the ESS market, and the Company has secured financing through June 2022. As a result, no material uncertainty regarding the going concern capability of the Group exists. The consolidated financial statement has been prepared on a going concern basis.





## Corvus Energy AS

Notes to the accounts for 2020

### Note 5 Inventory

	2020	2019
Raw materials	43 135 364	65 457 523,00
Work in progress	2 893 051	9 682 804,00
Finished goods	9 167 475	4 649 495,00
Goods for resale	315 404	6 165 678,00
<b>Total</b>	<b>55 511 294</b>	<b>85 955 500</b>

During the year ended December 31, 2020, inventory was reviewed for damage and obsolescence as part of ongoing operations and restructuring activities. No provision for damage or obsolescence is made as per year end 2020 or 2019. The whole inventory are provided as security for long-term liabilities per 31.12.2020.

### Note 6 Restricted bank deposits

	2020	2019
Restricted funds as of 31. December 2020	2 313 969	2 901 330

### Note 7 Other short-term receivables

	2020	2019
Trade debtors		
Pre-paid expenses	4 533 198	7 484 688
Accrued uninvoiced income	76 112 336	15 581 449
Public funding projects	5 708 186	6 159 234
Other	1 000	2 207 683
<b>Total other current assets</b>	<b>86 354 720</b>	<b>31 433 054</b>

### Note 8 Other long-term liabilities

	2020	2019
Other long-term liabilities		
Long-term liabilities to financial institutions	41 250 000	8 750 000
Long-term liabilities Innovasjon Norge	32 500 000	29 250 000
Other long-term liabilities	75 000	344 000
<b>Total other long-term liabilities</b>	<b>73 825 000</b>	<b>38 344 000</b>

The right of use asset related to the lease agreement of the office space (30 MNOK), the inventory (55 MNOK), accounts receivables (55 MNOK) and fixed assets (55 MNOK) are provided as security for the long-term liabilities. All shares of Corvus Energy AS are provided as security for the long-term liabilities to Innovasjon Norge. In addition the long-term debt to Innovasjon Norge subject to covenants. Corvus Energy Holding AS has provided guarantee on the loan from Innovasjon Norge.

### Long-term debt payment plan

Debtor	2020	2021	2022	2023	2024	2025
Financial institutions	1 000 000	9 125 000	25 375 000	1 000 000	5 750 000	
Innovasjon Norge I	0	1 666 667	3 333 333	3 333 333	3 333 333	3 333 333
Innovasjon Norge II	0	250 000	500 000	500 000	500 000	500 000
Other long-term liabilities	269 000	75 000				
<b>Total</b>	<b>1 269 000</b>	<b>11 116 667</b>	<b>29 208 333</b>	<b>4 833 333</b>	<b>9 583 333</b>	<b>3 833 333</b>

The loan from Innovasjon Norge I is schedule to be fulfilled in 2026, while Innovasjon Norge II is planned to be repaid during 2030.

### Note 9 Short-term liabilities to financial institutions

	2020	2019
Overdraft facility	66 689 411	19 380 468
Current part Innovasjon Norge loan	0	3 250 000
Current part liabilities to financial institutions	0	1 000 000
<b>Total</b>	<b>66 689 411</b>	<b>23 630 468</b>



## Corvus Energy AS

Notes to the accounts for 2020

The company has an overdraft facility in DNB of MNOK 90, of which MNOK 66,69 is utilised per 31.12.20.

The overdraft facility is secured by priority in the inventory (200 MNOK), accounts receivables (200 MNOK), fixed assets (200 MNOK) and the right of use asset related to the lease of the office space (25 MNOK). In addition Corvus Energy Holding AS has provided a parental guarantee of MNOK 58.

Financial covenants is 30% book equity, measured every 6 months and EBITDA of MNOK 5, measured quarterly and rolling MNOK 20 for 12 month from Q4 2020. The Company is compliant with all financial covenants as of December 2020. In Q3 the Company received a waiver for EBITDA covenant. The facility is renewed until June 2022 in February 2021.

### Note 10 Other current debt

	2020	2019
Milestone invoice to customer	92 264 063	97 815 823
Holiday pay	5 900 457	5 640 867
Other accrued expenses	11 171 010	1 111 810
<b>Total</b>	<b>109 335 530</b>	<b>104 568 500</b>

An accrued warranty reserve of MNOK 2.59 as per 31 December 2020 (0,8 MNOK as per 31 December 2019) is

### Note 11 Balances with group companies

Short term receivables from group companies consist of group contribution and trade receivables.

Other short term intercompany balances are non-interest bearing.

Corvus Energy Holding AS owns 100 % of the shares in both Corvus Energy Inc. and Corvus Energy AS.

	2020	2019
Accounts receivable	103 471 527	17 040 956
Other receivables	68 693 554	64 011 495
<b>Total reicevables</b>	<b>172 165 081</b>	<b>81 052 451</b>

#### Corvus Energy Holding

Accounts receivable	-9 243 113	50 000 000
Other receivables	229 638 330	72 147 609
<b>Total</b>	<b>220 395 217</b>	<b>122 147 609</b>

#### Corvus Energy Inc.

Accounts receivable	112 714 640	17 040 956
Other receivables	-160 944 776	-58 136 114
<b>Total</b>	<b>-48 230 136</b>	<b>-41 095 158</b>



## Corvus Energy AS

Notes to the accounts for 2020

### Note 12 Payroll expenses

	2020	2019
Salaries	20 333 846	21 753 233
Employers' national insurance contribution	6 944 453	7 229 125
Pensions	4 560 176	2 985 711
Other remuneration	9 696 144	962 003
Skattefunn/other public grants	(3 505 786)	-3 160 686
<b>Total personnel expenses</b>	<b>38 028 833</b>	<b>29 769 386</b>

The company had 57 FTEs in 2020

Norwegian businesses are obligated to follow the act on mandatory company pensions, and this is covered by the company's pensions plan.

The CEO is employed in Corvus Energy Holding AS, and compensation to the CEO is disclosed in the notes to the consolidated Corvus Energy Holding AS financial statement.

### Remuneration to the auditor consists of the following:

	2020	2019
Statutory audit fee	173 500	203 751
Technical assistance with financial statement preparation and tax preparation	2 950	-
Other assurance services	50 000	15 000
<b>Total remuneration to auditor</b>	<b>226 450</b>	<b>218 751</b>

The auditor remunerations are presented above excl. VAT.

### Note 13 Specification of other financial income and expenses

Financial income	2020	2019
Exchange gains	60 990 551	6 358 850
Exchange losses	64 934 580	3 544 324
<b>Net other financial income</b>	<b>-3 944 029</b>	<b>2 814 526</b>



## Corvus Energy AS

Notes to the accounts for 2020

### Note 14 Taxes

<b>Tax payable</b>	<b>2020</b>	<b>2019</b>
Result before taxes	9 367 269	(27 969 220)
Permanent differences	(2 515 258)	(2 687 572)
Change in temporary differences	(4 081 632)	(7 662 659)
Change in tax loss carried forward	(2 770 379)	38 319 451
Taxable income	-	-
Nominal tax rate	22 %	22 %
<b>Payable tax on this year's result</b>	<b>-</b>	<b>-</b>

<b>Components of the income tax expense</b>	<b>2020</b>	<b>2019</b>
Payable tax on this year's result	-	-
Change in deferred tax	-	(20 666)
<b>Tax expense</b>	<b>-</b>	<b>-20 666</b>

<b>Components of taxes payable</b>	<b>2020</b>	<b>2019</b>
Payable tax on this year's result	-	-
Tax effect on transaction costs	-	-
<b>Taxes payable</b>	<b>-</b>	<b>-</b>

<b>Temporary differences</b>	<b>Change</b>	<b>2020</b>	<b>2019</b>
Fixed assets	4 721 632	15 299 988	10 578 356
Bad debts	-640 000	-640 000	-
<b>Net temporary differences</b>	<b>4 081 632</b>	<b>14 659 988</b>	<b>10 578 356</b>
Tax loss carried forward	2 770 379	(45 771 454)	(48 541 833)
<b>Basis for deferred tax(deferred tax asset)</b>	<b>6 852 011</b>	<b>(31 111 466)</b>	<b>(37 963 477)</b>
Deferred tax asset	1 507 442	(6 844 523)	(8 351 965)
Deferred tax asset not recognised in the balance sheet	(1 507 442)	6 844 523	8 351 965
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note 15 Specification of income

<b>Geographical distribution</b>	<b>2020</b>
Europe	430 303 002
North-America	99 867 241
Australia	511 059
<b>Total</b>	<b>530 681 303</b>

### Note 16 Subsequent events

On February 17, 2021 the company renewed its credit facility in DNB for MNOK 90 until June 30, 2022.

On April 28, 2021 the company entered into a 15 MNOK guarantee agreement with Corvus Energy Holding AS, working as the guarantor in a five year loan agreement with Eksportkreditt Norge AS.