



# Q1 Report 2023

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OUR MISSION

# Accelerating the transition to carbon neutrality through pioneering projects

Carbon capture  
and storage



Clean energy  
production





# Horisont Energi and E.ON cooperation partners



Horisont Energi and E.ON have a cooperation agreement whereby E.ON have 25% stake in Horisont Energi



Horisont and E.ON want to play a decisive role in the decarbonization of key industrial sectors in Europe, while scaling up and commercializing CCS and clean ammonia

Value chain

CAPTURE



TRANSPORT



STORAGE



# Letter from the CEO

## Turning the page - looking forward



**Bjørgulf Haukelidsæter Eidesen,**  
CEO, Horisont Energi

We are in a period of great change: geopolitically, for the financial markets, for the energy markets and for international trade. In 2023 we still see uncertainty, linked to inflation, various crises, and stock market volatility. However, the drive towards clean energy and CO<sub>2</sub> reduction continues. In addition to mitigating climate change, the energy transition is being influenced by energy security, addressed through RePowerEU and the Inflation Reduction Act in the US.

Although there is an ongoing shift towards the US as the leading hub for new green projects, the EU is increasing its efforts, and we should expect further acceleration of the energy transition also in Europe.

Horisont Energi also experienced uncertainty in the first quarter of 2023, which did not yield the desired outcomes. Our two partners Equinor and Vår Energi decided to step out of the Barents Blue project, including the CO<sub>2</sub> storage Polaris.

Furthermore, we were not awarded the licence needed for the Errai CO<sub>2</sub> storage project.

We are learning from these setbacks as we look forward. For the Barents Blue ammonia plant our focus has been on establishing a potential new partnership with the Spanish fertilizer company Fertiberia and on maturing the commercial parts of the project, and we see real progress regarding the gas supply in particular. Regarding our request for power from the grid we expect a clarification on this matter before the summer.

The Polaris CO<sub>2</sub> storage project has been focusing on hand-over from the operator Equinor as we seek to establish a new licence group with a new operator.

The Barents Blue project may still become a key project for Horisont Energi, Norway and Europe. When executed, it will become the largest ammonia plant in Europe, and with the high environmental profile it is

setting the standard for clean ammonia. With a planned production of one million tonnes per year it can supply 2% of EU's planned hydrogen imports by 2030. In our view, this corresponds well with the increasing number of announcements of planned EU ammonia import projects.

The Barents Blue project and the corresponding Polaris CO<sub>2</sub> storage are both highly matured projects.

Recently, the power supply situation in Northern Norway came into focus, with consequences for Barents Blue as well. To be able to contribute to solving the situation the concept of blue power from Barents Blue was recently launched implying that the project will mature solutions and evaluate the viability of providing local power supply.

Together with significant synergies and positive impacts from the project Barents Blue, this may develop into a game changer for the energy transition in Northern Norway.

# Turning the page – looking forward



Bjørgulf Haukelidsæter Eidesen,  
CEO, Horisont Energi

For the CCS business, the non-award of the storage licence needed for Errai was a set-back. But as we continue to see a strong market interest for CO<sub>2</sub> storage, we are working hard to identify opportunities to establish a presence in this market through search for farm-in possibilities. Nominating new CO<sub>2</sub> storages is also being considered. This will be a key focus in the next quarters.

We believe that we are well positioned in the carbon value chain together with our cooperation partners E.ON and Koole Terminals and others. These cooperations combined with all the work, technical solutions, know-how, market knowledge and the end-to-end value chain with E.ON provide a significant capability to any new carbon storage project that Horisont Energi establishes or enters.

Based upon the work performed with the Gismarvik CO<sub>2</sub> terminal on the Errai project and the further maturity of the Polaris licence, we expect to have a good basis for establishing a third-party carbon storage business. By choosing to partner with us, other CO<sub>2</sub> actors will be able to benefit from our well-developed technical concepts and commercial solutions, instead of having to start from scratch.

Overall, I am positive towards the future and see a clear role for Horisont Energi both within clean ammonia and CCS. We have a strong and dedicated team, true to our strategy to develop large-scale industrial projects in cooperation with great partners and suppliers, leading the way to a carbon neutral future.

# Key figures

- The result for the first quarter 2023 is a net loss of NOK 75.1 million.
- The high burn rate in Q1 is due to the maturation of the Errai project across the disciplines of subsurface, drilling, subsea, pipeline, civil and onshore terminal. There will also be some cost associated with winding down the project. We anticipate that there will be value to these investments into Errai in future projects.
- The company has a total of NOK 354.2 million in cash as of March 31.
- Strong liquidity position for current phase of operations and fully-funded beyond 2024 at normalised activity level.

Key figures (million NOK)	Q1 2023	Q1 2022	2022
Total income*	0	0	0
Operating profit (loss)	-77.4	-36.1	-143.5
Net financial income (expenses)	2.3	1.1	9.7
Net profit (loss) €	-75.1	-35	-133.8
Cash/cash equivalents at the end of period	354.2	486	392.8

\* Horisont Energi currently has no activities generating income.

# Q1 main themes

## Barents Blue

- Ammonia specialist Fertiliberia potential with Horisont Energi for realization of the Barents Blue project
- Equinor and Vår Energi discontinue their participating interests in the project
- Horisont Energi has adjusted the first development phase of the project from max 3 to 2 trains (production line) with focus on train 1 for various reasons, including reservation of power from the local grid
- Our initial application of 105 MW to the national grid company Statnett was rejected in February, application updated to 45 MW late March
- We have worked closely with the local grid company in Hammerfest and Statnett to secure sufficient power supply to the project, clarification expected around summer
- Commercial aspects of gas supply in progress

## E.ON

- Horisont Energi, Neptune Energy and E.ON sign MoU for realization of a European CCS value chain

## Polaris – license awarded in 2022

- CO<sub>2</sub> storage
- Part of Barents Blue project
- In dialogue with potential new operating partner
- Possible CO<sub>2</sub> storage for third party customers

## Errai

- Horisont Energi entered an option agreement with Haugaland Næringspark to locate the land-based CO<sub>2</sub> terminal for the planned Errai carbon capture and storage project to Gismarvik in Rogaland
- Matured full CCS value chain from customer to CO<sub>2</sub> terminal and to storage (Errai)
- License not awarded 31.03.2023



# First quarter in brief

## January

- Equinor and Vår Energi announce withdrawal from the Barents Blue project and the Polaris storage licence
- Announces Haugaland Næringspark (HN) as selected site for a new CO<sub>2</sub> terminal, the Gismarvik CO<sub>2</sub> terminal, through an option agreement with HN
- Contracts awarded to several suppliers for various concept studies for the Gismarvik CO<sub>2</sub> terminal and for the other parts of the project

## February

- Announces a new potential partnership for Barents Blue ammonia plant where Fertiberia, the leading green fertiliser company, replaces Equinor and Vår Energi
- MoU signed between E.ON, Neptune Energy and Horisont Energi on the realisation of a European CCS value chain

## March

- Barents Blue project announces reduction from maximum three to two ammonia production trains
- Barents Blue got a rejection on 105 MW of power for three trains, and reduces the requested power to 45 MW focusing on the first ammonia production train
- Errai storage license not awarded to Horisont Energi and Neptune Energy

# Carbon Capture and Storage

- project update

# Errai

After the non-award of the Errai project, work started to close down the project and wrap up. The concept studies were planned to be delivered around end April until end May. Thus, finalisation of this work will occur in parallel with the close down of the project. However, the work performed in the project may be valuable for future CO<sub>2</sub> projects.

The Gismarvik CO<sub>2</sub> terminal was matured technically through studies in the feasibility phase in 2022, with a feasibility decision made in November 2022. Concept studies were initiated January 2023, to be concluded in April/May 2023.

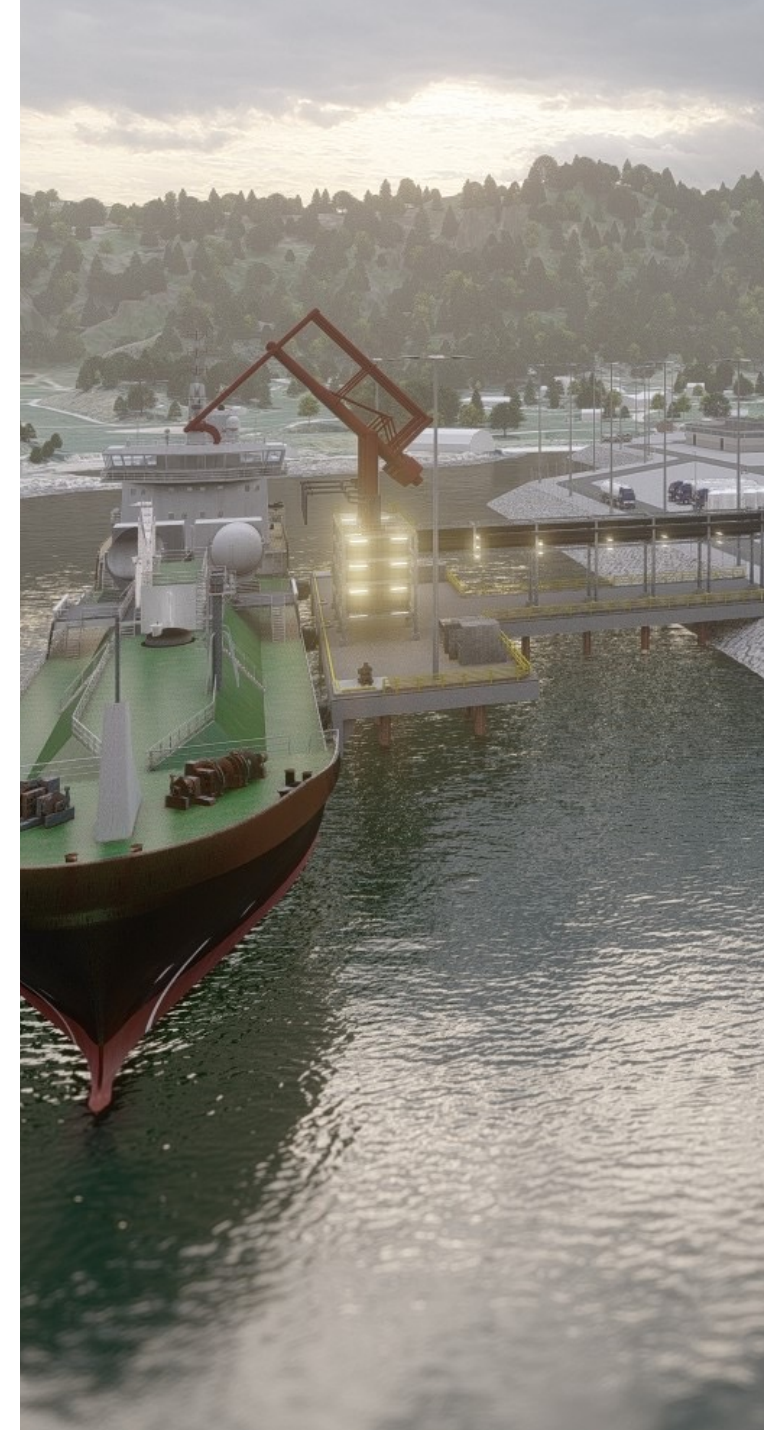
The onshore terminal concept studies were performed by two different companies. In addition, civil studies for the terminal site were performed by a civil contractor. The permitting process for the Gismarvik CO<sub>2</sub> terminal was also supported by the same civil contractor and driven by the project team.

For the offshore part, a pipeline survey was performed in Q1 2023 to provide data for conducting a concept study for the CO<sub>2</sub> export pipeline including landfall at the

terminal site. The work performed can form the basis for use of the Gismarvik CO<sub>2</sub> terminal for other carbon storages in the greater area. Also, the pipeline routing and landfall design can be reused by future carbon storage projects. The detailed technical design- and process work has been conducted building significant competence, technical basis, and intellectual properties for such CO<sub>2</sub> terminals.

Offshore concept studies have also been conducted, this includes pipeline, offshore cables and marine installation studies, subsea studies, and subsurface studies. The offshore concept studies are the result of two-and-a-half years of work with fit for purpose CO<sub>2</sub> injection solutions. The offshore studies performed defines a basis that can be used for all future CCS projects. The completion of these studies is thus considered an important milestone for the company.

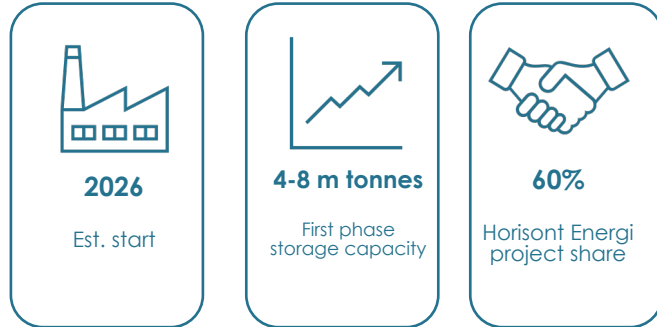
Having this simplified and fit for purpose offshore and subsea concept should make framing and development of future CO<sub>2</sub> storage projects more efficient and cost effective.



# Errai

Errai was planned to be the first commercial CO<sub>2</sub> storage on the Norwegian continental shelf

## Key figures



## Strategic partners in place



## Project highlights prior to non-award

- CCS project initiated by Horisont Energi in 2021
- Key part of planned CCS value chain
- Plan to store 4–8 million tonnes CO<sub>2</sub> annually in first phase, with additional potential
- Onshore terminal for intermediate CO<sub>2</sub> storage, with the intention to permanently store the CO<sub>2</sub> in an offshore reservoir
- Develop the second CO<sub>2</sub> terminal in Norway
- Targeting European and domestic third-party customers
- Project output in terms of customers, logistics, CO<sub>2</sub> terminal, pipeline and offshore solutions, and all related technical studies and permitting work reusable for future carbon storage projects

# Performed activities - Errai

Licence not awarded, project under closure – capitalising for future use

## Feasibility phase

- Site selection study
- CO<sub>2</sub> terminal study
- Pipeline study
- Subsea study
- Flow assurance pipeline study

## Concept phase

### Technical studies:

- Site selection study
- CO<sub>2</sub> terminal study
- Pipeline study
- Subsea study
- Flow assurance pipeline study

### Operations and surveys

- Errai pipeline reconnaissance route survey
- Gismarvik bathymetry and metocean (temperature & current) survey

### Permitting work

- Start-up meeting with 4 involved municipalities
- Planning program for the CO<sub>2</sub> terminal at Gismarvik prepared and sent for public consultation
- Public information meeting

### Commercial activities

- Option agreement with Haugaland Næringspark for CO<sub>2</sub> terminal site at Gismarvik
- Lol for CO<sub>2</sub> storage with E.ON
- CO<sub>2</sub> storage license not awarded



# Polaris carbon storage

The Polaris licence has performed all the work obligations in the first phase of the licence work programme. This includes feasibility studies for subsea and subsurface, offshore surveys and operations.

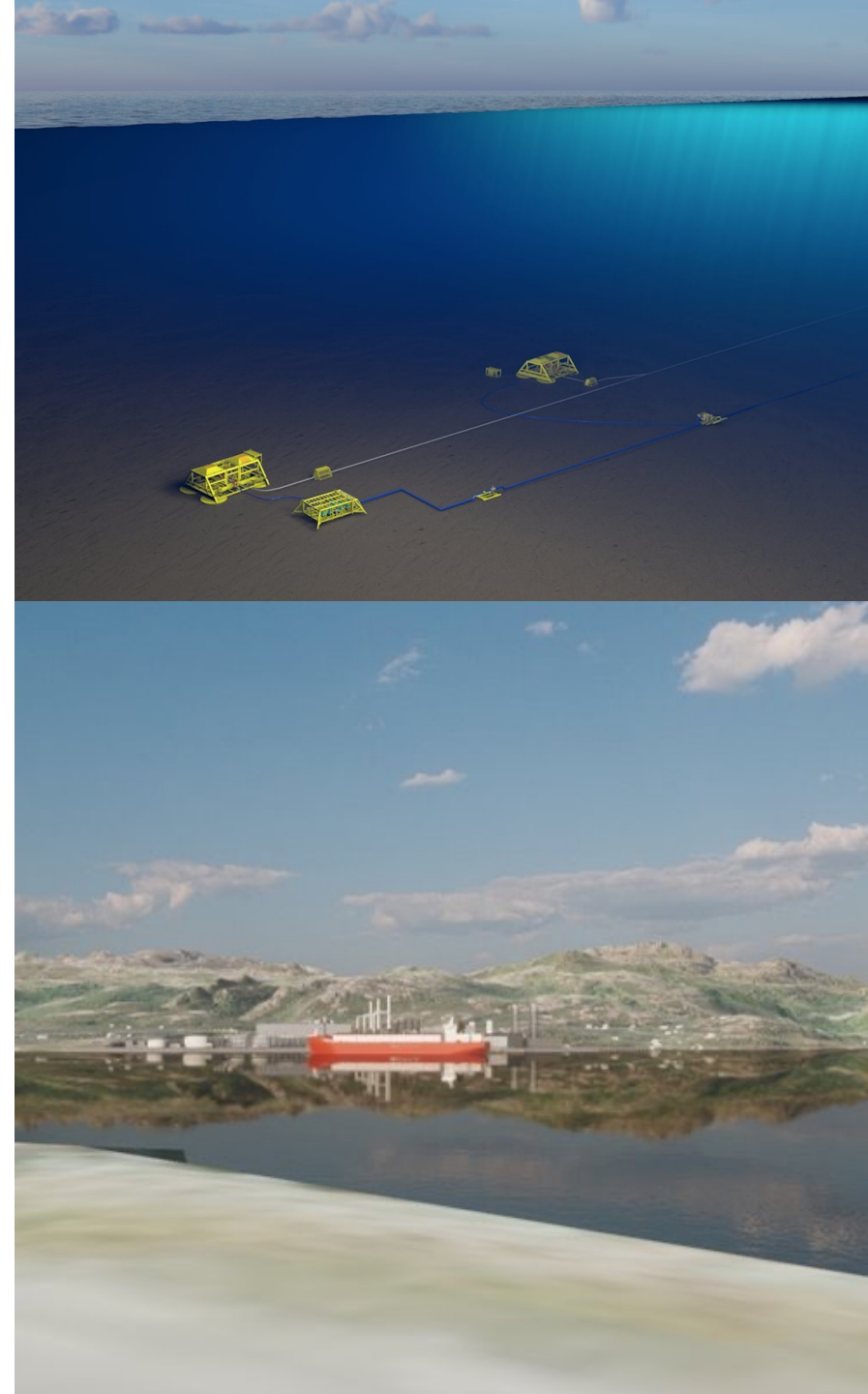
Furthermore, concept studies have also been performed, which is the work obligation in the next phase of the licence. The concept studies, however, need to be updated to reflect the development of fit-for-purpose CO<sub>2</sub> injection solutions from the Errai concept work.

An important activity in the last part of the first quarter has been the handover of studies and documentation from Equinor, in preparation for a new operator of Polaris.

The process to onboarding a new operator for Polaris is ongoing. The aim is for one or

more companies to become a licensee by year-end 2023. Although CO<sub>2</sub> from the ammonia production at Barents Blue is the main intent of Polaris, the potential for the reservoir as third-party CO<sub>2</sub> storage will also be explored in 2023.

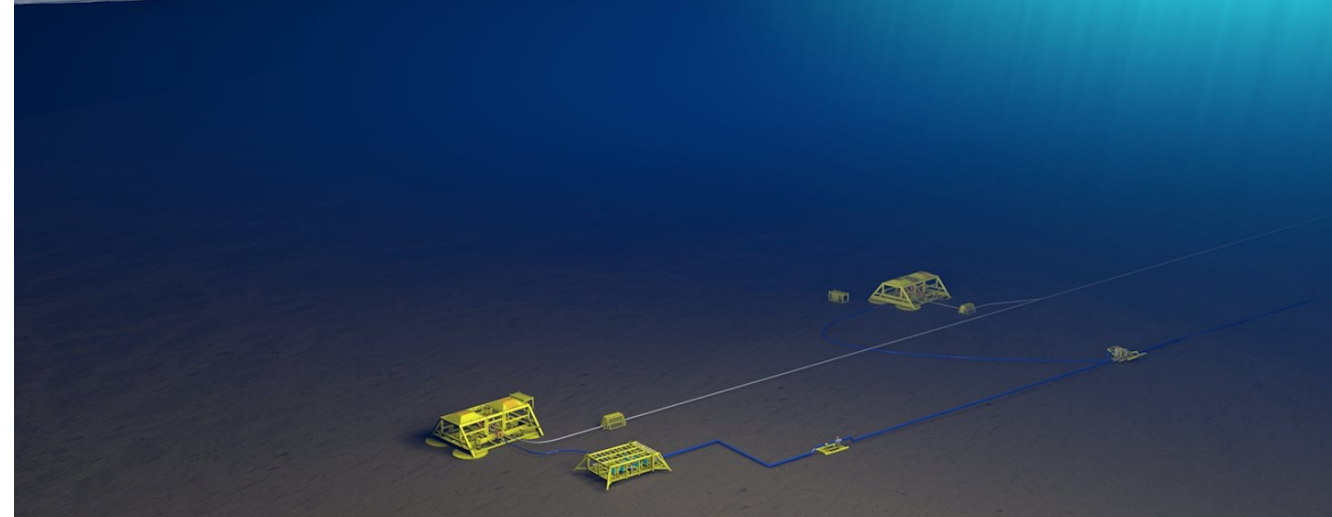
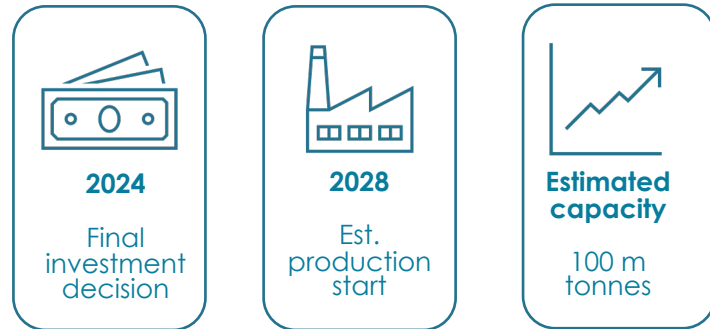
As part of the Polaris CO<sub>2</sub> storage project, an offshore direct injection from vessel to well was developed through to conceptual level in 2021. We have also built an intellectual property portfolio covering this offshore solution; therefore, we have matured two main concepts tailored to CCS developments, i.e., the terminal and pipeline concept, and direct offshore injection from vessel to well. These development efforts have built a high competence level in the company.



# Polaris

License awarded in April 2022 as the first CO<sub>2</sub> storage in the Barents Sea

## Key figures:



## Project highlights

- Key part of Barents Blue project
- An important project in developing carbon storage as a major green industry in the northern part of Norway.
- Capacity for 3 party CO<sub>2</sub> storage
- New operating partner in place by year end

# Project status POLARIS

CO<sub>2</sub> storage in the Barents Sea

## Shaping phase

- 3rd party verification of area stability analysis ongoing

## Feasibility phase

- White book study ammonia plant
- Site selection civil study
- Nomination application for license

## Concept phase

### Technical studies:

- Completion of technical studies in the concept phase, including plant specifications by Saipem, Technip and Topsoe, and pipeline studies by Subsea 7
- SPS solution with Baker Hughes and Oceaneering
- CO<sub>2</sub> direct injection vessel with Knudsen

### Commercial activities

- Negotiations with potential new operating partner

### Authority activities

- License application delivered

### Operations and surveys

- Pipeline survey
- Geotechnical survey offshore
- Shallow gas survey

# Clean ammonia

- project update

# Barents Blue

Horisont Energi's Barents Blue project at Markoppneset in Finnmark will become Europe's first industrial scale clean ammonia facility if executed. Combined with the Polaris CCS project, Barents Blue plans to offer a best-in-class lifecycle carbon footprint, with more than 99% CO<sub>2</sub> capture and limited need for electricity off the public grid. The project has received a conditional grant of NOK 482 million from Enova, as part of the IPCEI Hydrogen programme.

In February 2023, the experienced ammonia producer Fertiberia entered into a cooperation agreement which may result in that Fertiberia will enter into a partnership with Horisont Energi on Barents Blue.

Going forward, Horisont is working to simplify and reduce project

costs. Focus is now on the first production line (train) of 1 million tons ammonia per year, which also reduces complexity. A second train will be evaluated at a later stage. This should make it easier to secure power supply from the power grid and sufficient gas supply.

Some uncertainty arose early 2023 concerning power capacity in the electricity grid for Barents Blue. With the revised plan for one train initially, we expect this issue to be resolved. Alternatively, the plant may easily be adapted for own, clean power generation.

In addition to focus on power supply to the plant, we have sought to develop the commercial parts of the project with particular focus on gas purchase agreements.

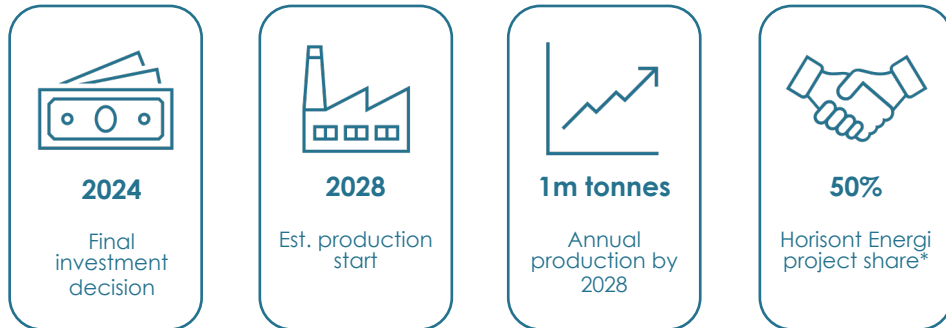




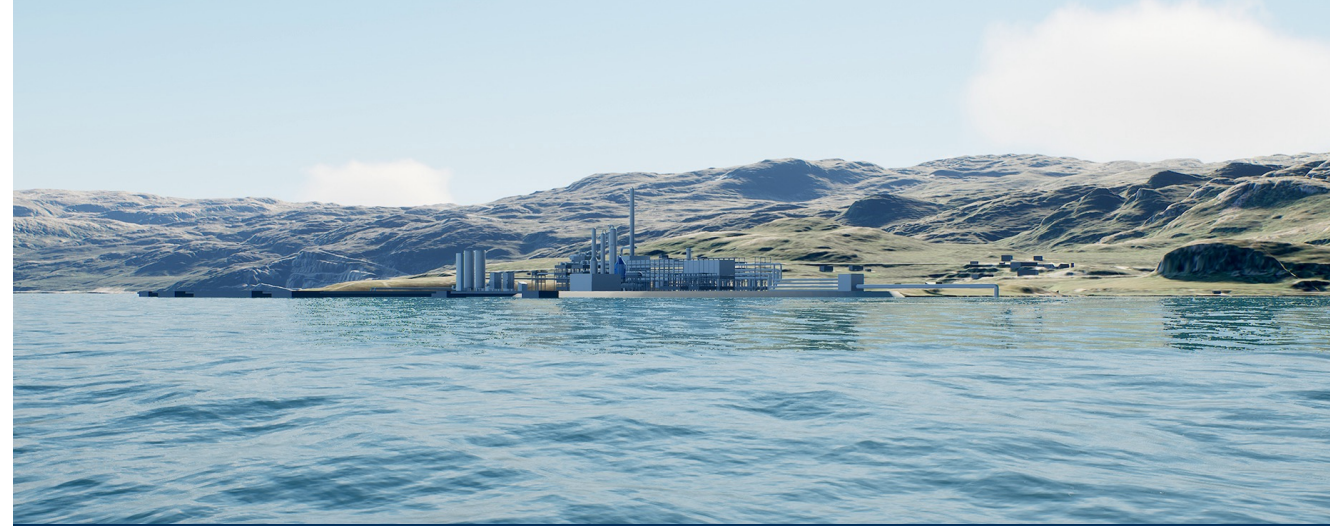
# Barents Blue

Europe's first world-scale  
clean ammonia plant

## Key figures:



European  
Commission



## Project highlights

- Best-in-class life-cycle carbon footprint, with >99% carbon capture
- Environmentally friendly plant with zero emissions
- Modular construction strategy with focus on sustainable solutions and circular practices in design
- Mostly self-sufficient on power, limited renewable electricity from grid
- European-first industrial-scale CO<sub>2</sub>-free ammonia production
- Barents Blue part of plant to become carbon neutral by 2035
- Fertiberia adding more than five decades of ammonia plant and supply chain knowhow
- Potential partnership agreement with Fertiberia summer 2023

# Barents Blue is part of the IPCEI hydrogen program, also known as Hy2Use



Europe's first world scale  
clean ammonia plant



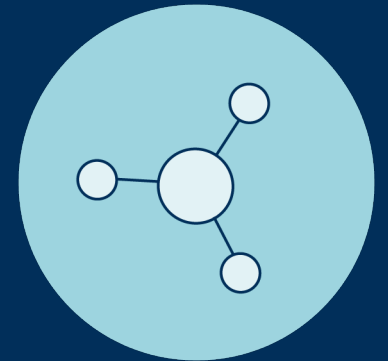
"Best in class"  
CO<sub>2</sub> footprint -  
Scope 1, 2 and 3



Above 99%  
CO<sub>2</sub> capture rate



Developing new, clean  
industry in Northern  
Norway



EU Taxonomy compliant  
pursuant to delegated acts  
for hydrogen and anhydrous  
ammonia

# Project status Barents Blue

Europe's first world scale clean ammonia plant

## Shaping phase

- Site screening

## Feasibility phase

- White book study ammonia plant
- Site selection civil study
- Pipeline study by IKM

## Concept phase

### Technical studies:

- Saipem concept study
- Technip Energies concept study
- Saipem extended concept study
- Pipeline studies by Subsea 7

### Operations and surveys

- Civil geotechnical survey
- Archaeological survey
- Biodiversity survey
- Metrological survey

## Permitting work

- On-going impact assessment in cooperation with Multiconsult and other suppliers according to approved programme

## Commercial activities

- ESA and EU commission approved Barents Blue as an IPCEI project, Hy2Use
- Signed collaboration agreement with Koole Terminals to develop a logistic value chain for clean ammonia
- Fertiberia potential new partner
- Negotiations gas supply

## Audits and verifications

- DNV DG2 readiness review

## Contract work

- Negotiated FEED contract
- Negotiated EPCI contract

## FEED phase

- FEED studies being prepared for the FEED phase

# Outlook and Market perspective

# Outlook and Market perspective

Following the non-award of the Errai licence on 31 March 2023, the Company is currently reassessing its plans and ambitions, and the different options that are available.

Horisont Energi firmly believes in the fundamental business case for carbon storage and clean ammonia in Europe.

## **Carbon Dioxide**

Horisont Energi remains committed to accelerating the transition to carbon neutrality. The EU has ambitious plans to tackle the climate crisis, with policies incentivizing use of CCS rather than to emit CO<sub>2</sub> with a goal to make CCS economically preferable over emission of CO<sub>2</sub>.

The development of a commercialized and sustainable CCS-market is an important measure to achieve the transition. Such a market is expected to contribute significantly to emission reductions, even in the transition period, but also has a later role to ensure emissions are avoided in sectors hard-to-abate, such as cement and steel.

The CO<sub>2</sub> licence application work has increased the competence and capacity of the organisation within this business area, enabling us to set up effective cross-disciplinary work processes. We consider our experience with the CO<sub>2</sub> exploration licence applications to be directly relevant for value addition to future projects and applications.

Horisont Energi sets itself apart from most offshore companies, in that we have a highly competent organisation capable of developing onshore CO<sub>2</sub> terminals, clean hydrogen plants, and clean ammonia plants.

Our strategic cooperation with E.ON on the CCS value chain continues. We consider these factors to be part of our competitive edge.

For CO<sub>2</sub> storage, we plan to use our competitive edge to work towards developing a small portfolio of projects with low to medium equity participation. In the South, the Gismarvik CO<sub>2</sub> terminal will be an important asset which could possibly serve as a hub for CO<sub>2</sub> storages in the North Sea.

There are two pathways the Company considers pursuing for the CO<sub>2</sub> storage business: the first is to connect CO<sub>2</sub> storage licences to the Gismarvik CO<sub>2</sub> terminal through partner participation, including equity for Horisont Energi. This would allow completing the CO<sub>2</sub> value chain that Horisont Energi is developing together with E.ON. A second pathway with entry into other CO<sub>2</sub> storage value chains is also being considered.

Another option is to establish the Polaris licence as third-party storage for CO<sub>2</sub> volumes in Northern Norway in addition to CO<sub>2</sub> from Barents Blue. Polaris may also be a solution for larger CO<sub>2</sub> volumes for customers from the continent wanting to secure CO<sub>2</sub> storage early.



# Outlook and Market perspective

## Clean Ammonia

The EU has developed significant ambitions for clean ammonia, both for domestic production and for import to the EU. About 50 million tonnes of annual production of ammonia equivalents (hydrogen and hydrogen-derivates such as ammonia) is planned for by the EU. In addition, the EU plans to import about 50 million tonnes of ammonia equivalents annually.

Hence, there is a significant regional European market also in development. In the recently published Net Zero Industry Act, the EU made a clear ambition to store 50 million tonnes annually by 2030. By 2050, the current ambition is 550 million tonnes annually of CO<sub>2</sub> storage.

For clean ammonia, the Barents Blue project remains our key project. We consider the plant design to have reached high technical maturity. This includes the gas tie-in solution for the Melkøya LNG plant, and the Polaris CO<sub>2</sub> facilities, including subsurface.

Therefore, our main effort in the next couple of months will be to establish a commercial basis of the Barents Blue to be able to

proceed with a concept selection and then eventually a FEED study. Establishing a commercial basis means securing gas purchase with corresponding commercial agreements for gas supply, ammonia sales and other related agreements. Once achieved, this will likely allow us to proceed with establishing a Barents Blue project company which again is a prerequisite for release of funding by IPCEI Hydrogen.

By mid-summer, the Barents Blue project expects clarification on the capacity of the grid operator to secure power supply from the grid.

Horisont Energi is working towards attracting a new operating partner for the CO<sub>2</sub> storage licence Polaris within year-end. Polaris will secure a viable CO<sub>2</sub> storage solution for Barents Blue.

During 2023, Horisont Energi will work hard to establish a new partnership for the Barents Blue ammonia plant and the Polaris CO<sub>2</sub> storage licence, while at the same time maturing the commercial basis of the projects.

Q1 has been a very challenging quarter for Horisont Energi. Nevertheless, we consider that the company has developed a unique set of capabilities, projects and opportunities that continue to deserve investment and focus. The outcome of current efforts continues to be subject to significant risk, but we will continue to monitor developments very closely as we consider the company's near-term and mid-term strategy.

# About Horisont Energi

Horisont Energi is a Norwegian clean energy company with a mission to accelerate the transition to a carbon-neutral future through the development of a portfolio of projects. We aim to deliver end-to-end carbon capture and storage (CCS) solutions, as well as to produce clean ammonia using CCS.

As a company, we are committed to the energy transition. Time is of essence to meet the goals set in the Paris Agreement on climate change while simultaneously balancing the dramatic changes to energy supply and demand in Europe. The need for carbon-free and carbon-neutral energy sources is more pressing than ever before. We want to deliver solutions that support a carbon-neutral future.

The company is seeking to become a leading supplier of third-party carbon storage solutions through the establishment of a full-scale end-to-end value chain for carbon storage business to meet the high European demand.

The world also needs clean energy sources. That is why we continue planning Europe's first industrial scale clean ammonia plant, the Barents Blue project.

Being an early mover in the clean energy sector means contributing to the development of policy and frameworks as we go. Our pioneering projects are subject to various regulatory approvals and clarifications.

We therefore emphasize close dialogue with relevant authorities and policy makers.

Horisont Energi was founded in 2019, and in January 2022, E.ON became a strategic investor. E.ON has more than fifty million customers in fifteen countries where decarbonisation demand is on the increase. The engagement by E.ON strengthens our ability to accelerate the transition to carbon neutrality through pioneering projects throughout the CCS value chain.

Horisont Energi is headquartered in Sandnes, Norway. The company's shares are listed on Euronext Growth Oslo under the ticker "HRGI".



**Financial  
result**

# Income statement

	Notes	Q1 2023 Unaudited	Q1 2022 Unaudited	Full year 2022 Audited
<b>Other income</b>				
Other income		0	0	0
<b>Total other income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating costs</b>				
Salary and personnel costs	1	10 404 617	5 324 149	41 181 811
Depreciation	2,3	1 153 344	594 710	2 658 681
Other operating costs	4	65 833 575	30 175 987	99 662 203
<b>Total operating costs</b>		<b>77 291 536</b>	<b>36 094 846</b>	<b>143 502 696</b>
<b>OPERATING PROFIT (LOSS)</b>		<b>-77 391 536</b>	<b>-36 094 847</b>	<b>-143 502 696</b>
<b>FINANCIAL INCOME AND EXPENSES</b>				
Interest income	5	3 273 009	1 345 450	10 223 871
Interest expenses	2	-139 828	-31 702	-212 196
Other financial income			171 282	638 059
Other financial expenses		-803 117	-376 194	-923 432
<b>Net financial income (expenses)</b>		<b>2 330 064</b>	<b>1 108 836</b>	<b>9 717 302</b>
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>		<b>-75 061 471</b>	<b>-34 986 010</b>	<b>-133 785 393</b>
Income tax expense	6	0	0	-14 904
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>6</b>	<b>-75 061 471</b>	<b>-34 986 010</b>	<b>-133 785 393</b>

# Balance sheet

<i>Amounts in NOK</i>	<i>Notes</i>	<b>31/03/23</b>	<b>31/03/22</b>	<b>31/12/22</b>
		Unaudited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Right-of-use assets	2	8 025 053	2 676 193	9 147 749
<b>Total non-current assets</b>		<b>8 025 053</b>	<b>2 676 193</b>	<b>9 147 749</b>
<b>Machines, furnishings and fittings</b>				
Furnitures & fixtures	3	462 343	0	492 991
<b>Total machines, furnishings and fittings</b>		<b>462 343</b>	<b>0</b>	<b>492 991</b>
<b>Total fixed assets</b>		<b>8 487 396</b>	<b>2 676 193</b>	<b>9 640 740</b>
<b>Current assets</b>				
<b>Receivables</b>				
Accounts receivable		3 463 105	19 088 742	30 974 756
Other receivables	7	41 845 349	20 990 448	11 225 517
<b>Total receivables</b>		<b>45 308 454</b>	<b>40 079 190</b>	<b>42 200 273</b>
<b>Cash and cash equivalents</b>	8	<b>354 222 981</b>	<b>486 037 325</b>	<b>392 827 162</b>
<b>Total current assets</b>		<b>399 531 435</b>	<b>526 116 515</b>	<b>435 027 434</b>
<b>TOTAL ASSETS</b>		<b>408 018 831</b>	<b>528 792 708</b>	<b>444 668 174</b>

<i>Amounts in NOK</i>	<i>Notes</i>	<b>31/03/23</b>	<b>31/03/22</b>	<b>31/12/22</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Paid-in equity</b>				
Share capital	9,10	223 259	223 259	223 259
Share premium	9	566 687 897	566 735 018	566 687 897
Other paid-in equity	9	7 452 972	6 179 000	7 083 954
<b>Total contributed equity</b>	<b>9</b>	<b>574 364 129</b>	<b>573 137 277</b>	<b>573 995 110</b>
<b>Retained earnings (deficit)</b>				
Retained earnings (deficit)	9	-265 878 207	-92 017 352	-190 816 735
<b>Total retained earnings (deficit)</b>		<b>-265 878 207</b>	<b>-92 017 352</b>	<b>-190 816 735</b>
<b>Total equity</b>	<b>9</b>	<b>308 485 922</b>	<b>481 119 925</b>	<b>383 178 375</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Other long term liabilities	2,11	3 221 276	794 090	4 518 497
Liabilities to financial institutions	11	2 400 000	2 400 000	2 400 000
<b>Total non-current liabilities</b>		<b>5 621 276</b>	<b>3 194 090</b>	<b>6 918 497</b>
<b>Current liabilities</b>				
Accounts payable		25 852 123	16 530 070	16 014 563
Public duties payable		3 387 875	5 627 339	5 289 281
Other current liabilities	2, 12	64 671 635	22 321 285	33 267 460
<b>Total current liabilities</b>		<b>93 911 634</b>	<b>44 478 694</b>	<b>54 571 304</b>
<b>Total liabilities</b>		<b>99 532 910</b>	<b>47 672 784</b>	<b>61 489 801</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>408 018 832</b>	<b>528 792 708</b>	<b>444 668 174</b>



# Cash flow

	Q1 2023	Q1 2022	Full year 2022
<b>Cash flow from operating activities</b>			
Profit (loss) before income tax	-75 061 471	-34 986 010	133 785 393
Negative instalments tax	-	-	-
Tax refund received	-	-	-
Interest on right use liabilities	134 752	28 249	
Depreciations	1 153 344	594 710	2 658 681
Cost related to employee share options	369 018	262 347	1 248 947
Change in accounts receivables	27 511 651	7 610 244	4 275 770
Change in accounts payables	9 837 561	-85 250	600 757
Change in other short term receivables and payables	-1 226 620	1 628 657	19 517 837
<b>Net cash flow from operating activities</b>	<b>-37 281 765</b>	<b>-24 947 054</b>	<b>-115 236 454</b>
<b>Cash flow from investing activities</b>			
Investments in fixed assets	-	-	-547 974
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>	<b>-547 974</b>
<b>Cash flow from financing activities</b>			
Capital contribution net of fees	-	419 922 126	419 875 005
Financing from financial institutions	-	-	-
Payments of lease debt including interest	-1 322 416	-626 860	-2 952 528
<b>Net cash from financing activities</b>	<b>-1 322 416</b>	<b>419 295 266</b>	<b>416 922 477</b>
Net cash flow from discontinued operations			
Net change in cash and cash equivalents	-38 604 181	394 348 212	301 138 049
Cash/cash equivalents at the beginning of period	392 827 162	91 689 113	91 689 113
<b>Cash/cash equivalents at the end of period</b>	<b>354 222 981</b>	<b>486 037 325</b>	<b>392 827 162</b>

# Accounting principles and basis for preparation

These interim financial statements have been prepared in accordance with the principles in IAS 34, Interim Financial Reporting. The interim financial statements are unaudited, and do not include all of the information required for the full financial statements, and should be read in conjunction with the annual financial statements.

The accounting principles used in the preparation of these financial statements are consistent with those used in the annual financial statements. These condensed financial statements should be read in conjunction with the annual financial statements, which include a full description of the Company's accounting principles.

The preparation of the interim accounts entails the use of judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised as assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances.

The actual results may deviate from these estimates. The material assessments underlying the application of the Company's accounting policies and the main sources of uncertainty are the same for the interim accounts as for the annual accounts for 2021.



# Selected notes

# Notes

## Note 1 Payroll expenses, number of employees, remunerations, loans to employees, etc.

Payroll expenses	Q1 2023	Q1 2022	Full year 2022
Salaries/wages	14 384 541	7 198 708	43 848 396
Social security fees	2 060 032	1 256 982	6 615 362
Pension expenses	1 677 907	867 107	5 124 029
Other remuneration	1 137 497	748 300	2 910 819
<b>Gross employee benefits expenses</b>	<b>19 259 977</b>	<b>10 071 097</b>	<b>58 498 606</b>
The number of employees	43	23	44
Reimbursed from partners	-8 855 359	-4 746 948	-17 316 795
<b>Salary and personnel costs</b>	<b>10 404 617</b>	<b>5 324 149</b>	<b>41 181 811</b>

The company has a defined contribution scheme which covers all the employees. Total expensed in pension cost is NOK 1 677 907 (NOK 867 107 in Q1 2022).

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

The company's pension schemes satisfy the requirements of this Act.

### Employee share options scheme:

The Company has an employee share options program for some of its employees.

IFRS 2 Share-based Payment requires an entity to recognise share-based payment transactions (such as granted shares, share options, or share appreciation rights) in its financial statements, including transactions with employees or other parties to be settled in cash, other assets, or equity instruments of the entity. Specific requirements are included for equity-settled and cash-settled share-based payment transactions, as well as those where the entity or supplier has a choice of cash or equity instruments.

The fair value at grant date was determined using a Black Scholes Model. The right of the Holder to exercise the Options is conditional upon the Holder being employed with the Company on the date of the Exercise Notice.

	31/03/2023	31/03/2022	31/12/2022
Outstanding warrants	426 000	340 000	340 000
Warrants granted	20 000	-	86 000
Warrants forfeited	-17 000	-	-
Warrants exercised	-	-	-
Warrants expired	-	-	-
Outstanding warrants at end of period	429 000	340 000	426 000
Of which exercisable	-	-	-
Expensed salary cost related to employee share options	369 018	262 347	1 167 302

The most significant inputs and assumptions in determining fair value at grant date were (amounts in NOK):

	31/03/2023	31/03/2022	31/12/2022
- Exercise price between	26-56	70-117	42-158
- Share price at grant date between	17-38	25-73	38-79
- Expected volatility	40%	40%	40%
- Risk free interest rate	4%	1%	1%
- Term of options between	1,5-4 years	1,5-4 years	1,5-4 years

## Note 2 Leases IFRS 16

### Right-of-use assets

Leased assets include offices and other buildings. Right-of-use assets are categorised and presented in the table below:

	31/03/2023	31/03/2022	31/12/2022
<b>Right-of-use assets</b>	<b>offices</b>		<b>Offices</b>
Acquisition cost as at 01.01.	13 005 776	4 013 854	4 013 854
Addition of use-of-rights	-	511 378	9 677 265
Termination of use-of-rights	-	-	- 685 343
<b>Acquisition cost end of period</b>	<b>13 005 776</b>	<b>4 525 232</b>	<b>13 005 776</b>
Depreciation and write-downs as at 01.01.	3 858 027	1 254 329	1 254 329
Depreciation for the year	1 122 696	594 710	2 603 698
Write-downs for the year	-	-	-
<b>Depreciation and write-downs as at end of period</b>	<b>4 980 723</b>	<b>1 849 039</b>	<b>3 858 027</b>
<b>Book value right-of-use assets at end of period</b>	<b>8 025 053</b>	<b>2 676 193</b>	<b>9 147 749</b>
Economic lifetime	24-60 months		24 months
Depreciation method	Linear		Linear
	31/03/2023	31/03/2022	31/12/2022
<b>Lease liability</b>	<b>Offices</b>		<b>Offices</b>
Liabilities and payment schedule			
Less than 1 year	4 221 217	2 211 205	4 221 217
1-2 years	3 221 276	641 956	1 967 850
2-3 years	-		1 165 436
3-5 years			1 266 654
More than 5 years			-
<b>Total lease liabilities at end of period</b>	<b>7 442 493</b>	<b>2 853 161</b>	<b>8 630 157</b>
	31/03/2023	31/03/2022	31/12/2022
Changes in lease liabilities			
Lease liabilities at 01.01.	8 630 157	2 940 395	2 940 395
New/recalculated liabilities this period	-	511 378	9 677 265
Termination of lease	-	-626 860	-1 221 202
Downpayments of liabilities	-1 322 416		-2 952 528
Interest payments	-	-	-
Interest on lease liabilities	134 752	28 249	186 227
<b>Total lease liabilities at end of period</b>	<b>7 442 493</b>	<b>2 853 162</b>	<b>8 630 157</b>



## Note 3 Fixed assets

<b>Machinery and equipment</b>	<b>31/03/2023</b>	<b>31/03/2022</b>	<b>31/12/2022</b>
Acquisition cost as at 01.01	547 974		0
Additions	-	-	547 947
Disposals	-	-	-
Acquisition cost at end of period	547 974	-	547 974
Accumulated depreciation 31.03	- 85 631	-	- 54 983
Accumulated write-downs 31.03	-	-	-
Net value at end of period	462 343	-	492 991
Depreciation for the year	-30 648		-54 983
Impairment losses for the year.	-		-

All fixed assets are depreciated by using a straight-line method. The economic life of the assets has been calculated to 5 years.





## Note 4 Other operating costs

The line "Other operating costs" in the P&L consists of the following costs:

	Q1 2023	Q1 2022	Full year 2022
Office rentals and other office expenses	4 552 403	811 012	3 835 104
Consultants fee, studies etc.	102 458 498	49 990 939	179 552 910
Reimbursed from partners	- 42 137 637	- 27 372 772	- 72 224 149
Skattefunn		-	- 4 750 000
Licences, patents and royalties	0	6 254 260	7 510 084
Other expenses	960 311	492 548	14 261 747
<b>Total</b>	<b>65 833 575</b>	<b>30 175 987</b>	<b>99 662 203</b>

Cost related to maturing the projects has been expensed. The Company will start to capitalize cost incurred, when technical feasibility and commercial viability are demonstrable, and the decision to develop a particular project has been made.

## Note 5 Interest income

	Q1 2023	Q1 2022	Full year 2022
Interest earnings, tax-free	-	-	10 049
Interest earnings, bank	3 273 009	1 345 000	10 155 150
Interest earnings, customers	-	450	48 672
<b>Interest income</b>	<b>3 273 009</b>	<b>1 345 450</b>	<b>10 223 871</b>

## Note 6 Taxes

<b>This year's tax expense</b>	<b>Q1 2023</b>	<b>Q1 2022</b>	<b>Full year 2022</b>
Entered tax on ordinary profit/loss:			-
Payable tax		-	-
Changes in deferred tax assets		-	0
<b>Tax expense on ordinary Profit/loss</b>		-	-
Taxable income:			
Result before tax	- 75 061 471	- 34 986 010	-133 785 393
Permanent differences	27 487	34 267	5 590 029
Changes in temporary differences	225 141	-	495 873
<b>Taxable income</b>	<b>- 74 808 844</b>	<b>- 34 951 743</b>	<b>- 138 879 549</b>
Payable tax in the balance:			
Payable tax on this year's result	-	-	-
<b>Total payable tax in the balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	<b>Q1 2023</b>	<b>Q1 2022</b>	<b>Full year 2022</b>
Tangible assets	23 964	0	54 612
Lease agreements brought to the balance	582 560	- 176 968	517 592
Other provisions	-1 680 074	0	-1 420 613
<b>Total</b>	<b>-1 073 550</b>	<b>-176 968</b>	<b>-848 409</b>
Accumulated loss to be brought forward	- 279 638 484	-101 952 344	-204 829 640
<b>Not included in the deferred tax calculation</b>	<b>-280 712 034</b>	<b>-102 129 312</b>	<b>- 205 678 049</b>
<b>Deferred tax assets (22 %)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Deferred tax is calculated based on tax rates applicable on the balance sheet date. Based on uncertainties related to future utilization of tax losses, there has been made valuation allowance for deferred tax assets. There is no time limitation on the tax losses carried forward in Norway.

## Note 7 Other receivables

	<b>31/03/2023</b>	<b>31/03/2022</b>	<b>31/12/2022</b>
Receivable Skattefunn	4 750 000	4 750 000	4 750 000
Prepaid costs	3 104 834	1 927 915	2 301 329
Settlement account for VAT(added)	2 931 100		957 680
Other receivables(added)	46 490	-	
Recharge to partners	31 012 926	14 312 533	3 216 507
<b>Other receivables</b>	<b>41 845 349</b>	<b>20 990 448</b>	<b>11 225 517</b>

## Note 8 Cash and cash equivalents

	<b>31/03 2023</b>	<b>31/03/2022</b>	<b>31/12/2022</b>
Restricted cash related to tax withholding accounts amounts	1 936 187	1 048 522	3 237 839

## Note 9 Share capital

	Share capital	Share premium	Other paid-in equity	Retained earnings (deficit)	Total equity
Balance 01.01.	223 259	566 687 897	7 083 954	-190 816 735	383 178 375
Cost related to employee share options			369 018		369 018
Net profit (loss) for the period				- 75 061 471	- 75 061 471
<b>Balance 31.03.</b>	<b>223 259</b>	<b>566 687 897</b>	<b>7 452 972</b>	<b>-265 878 207</b>	<b>308 485 922</b>

\*The company has a share option programme for some employees. NOK 369 018 has been expensed related to the Company's share options programme Q1 2023.

## Note 10 Share capital, subscription rights and shareholder information

The share capital consists of one class only:	Number	Par value	Share capital
Ordinary shares	22 325 980	0,01000	223 259

The 10 largest shareholders pr 31.03:	Shares	Ownership
E.ON Energy Projects GMBH	5 706 495	25,56%
FØNIKS INNOVASJON AS	5 126 538	22,96%
SAGA PURE ASA	1 854 832	8,31%
State Street Bank and Trust Comp	748 409	3,35%
DJ ADVISORS AS	552 515	2,47%
EITOR AS	550 000	2,46%
SPESIALFONDET KLP ALFA GLOBAL ENER	413 798	1,85%
APOLLO ASSET LIMITED	300 000	1,34%
NORDNET LIVSFORSIKRING AS	286 083	1,28%
ZEVS HOLDING AS	280 875	1,26%
Others	6 506 435	29,14%
<b>Total number of shares</b>	<b>22 325 980</b>	<b>100,00%</b>

All shares have the same voting rights in the company's general meeting.

The company's management and board members controls Føniks Innovasjon As, DJ Advisors AS, and ZEVS Holding AS.

There has been no material transactions between the company and the shareholders.

There are no loans/debt between the company and the shareholders.

## Note 11 Other long term liabilities

Debt that falls due more than 1 year after the balance sheet date

	31/03/2023	31/03/2022	31/12/2022
1) Debt to Innovasjon Norge	2 400 000	2 400 000	2 400 000
2) Other long-term liabilities	3 221 276	794 090	4 518 497
<b>Total</b>	<b>5 621 276</b>	<b>3 194 090</b>	<b>6 918 497</b>

Debt that

- 1) The company has a start up loan of NOK 2 400 000 from Innovasjon Norge. The loan is interest free until summer 2023.
- 2) Items includes: Recognised lease liability on leasehold contract for offices due >12 months from balance date, and calculated social tax on share options for employees, due when options are exercised

## Note 12 Other current liabilities

	31/03/2023	31/03/2022	31/12/2022
Holiday pay allowance	5 566 824	2 386 061	4 372 314
Accrued cost	54 883 594	17 724 019	24 673 929
Other lease obligation with due date within 12 months	4 221 217	2 211 205	4 221 217
<b>Other current liabilities</b>	<b>64 671 635</b>	<b>22 321 285</b>	<b>33 267 460</b>

## Note 13 Subsequent events and going concern

The accounts are prepared on the assumption of a going concern. This assumption is based on the Company's budget for the year 2023 including the Business Plan and the cash flow forecast.

The future solidity of the company will depend on the development of its projects. Updates are shared with the marked in notices to the stock exchange.



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