

Concedo AS

Profit and loss account 2021

Figures are given in the Norwegian currency NOK	Note	2021	2020
Sales revenue		-	0
Other operating revenues	6	63 652 526	0
Total operating revenues		63 652 526	0
Depreciation on fixed and intangible assets	3	-296 373	-254 483
Exploration expenses	2,10,14,15	-197 417 562	-90 518 696
Total operating expenses		-197 713 935	-90 773 179
Operating profit/loss		-134 061 409	-90 773 179
Other interest received		177 868	2 135 387
Other financial income		6 986 016	4 071 730
Total financial income		7 163 884	6 207 117
Other interest paid		-8 292 034	-6 011 678
Other financial expenses		-6 810 005	-4 892 727
Total financial expenses		-15 102 039	-10 904 405
Net financial items		-7 938 156	-4 697 289
Pre-tax profit/loss on ordinary activities		-141 999 565	-95 470 467
Tax cost on profit on ordinary activities	7	156 041 309	71 836 983
Ordinary profit/loss		14 041 744	-23 633 484
Income/loss for the year		14 041 744	-23 633 484
Allocations			
Other reserves	5	14 041 744	-23 633 484
Total		14 041 744	-23 633 484

Concedo AS

Balance Sheet as of 31 December 2021

Figures are given in the Norwegian currency NOK

ASSETS	Note	2021	2020
Fixed assets			
Intangible assets			
Deferred tax assets	7	0	0
Capitalised exploration expenses and licences	3,16,17,18	195 411 192	152 713 131
Total intangible assets		195 411 192	152 713 131
Tangible fixed assets			
Furniture, fixtures & machinery	3	416 996	376 832
Total tangible fixed assets		416 996	376 832
Total fixed assets		195 828 188	153 089 964
Current assets			
Receivables			
Trade debtors		0	0
Other receivables	9	227 064 613	143 997 170
Total receivables		227 064 613	143 997 170
Bank deposits, cash-in-hand etc.	8	42 415 465	49 321 058
Total bank deposits, cash-in-hand etc.		42 415 465	49 321 058
Total current assets		269 480 078	193 318 227
Total assets		465 308 266	346 408 191

Concedo AS

Balance Sheet as of 31 December 2021

Figures are given in the Norwegian currency NOK


SHAREHOLDERS' EQUITY AND LIABILITIES	Note	2021	2020
EQUITY			
Paid-in capital			
Share capital	4,5	2 448 455	2 430 066
Treasury shares	5	-158 379	-158 379
Share premium	5	5 915 107	4 567 126
Other paid in capital	5	3 821 300	4 377 118
Total paid-in capital		12 026 483	11 215 931
Retained earnings			
Other reserves	5	94 011 636	79 969 891
Total retained earnings		94 011 636	79 969 891
Total Equity		106 038 118	91 185 822
Long-term liabilities			
Provisions for liabilities and charges			
Deferred tax	7	125 407 131	92 354 504
Total provisions for liabilities and charges		125 407 131	92 354 504
Total long-term liabilities		125 407 131	92 354 504
Current liabilities			
Owed to credit institutions	11,13	188 519 987	132 825 554
Trade creditors		740 051	2 371 676
Unpaid government charges etc.		2 255 654	2 146 471
Other current liabilities	12	42 347 324	25 524 165
Total current liabilities		233 863 016	162 867 865
Total liabilities		359 270 147	255 222 369
Total Equity and Liabilities		465 308 266	346 408 191

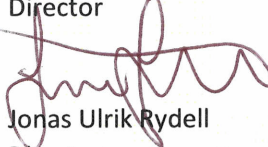
Asker, 2 May 2022


 Olav Fjell

Chairman of the Board


 Sandra D Crane
 Director


 Erik Sverre Jensen
 Director


 Jonas Ulrik Rydell
 Director

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 Nirav Dagli
 Director


 Geir Lunde
 CEO

Concedo AS

Cash Flow Statement

OPERATING ACTIVITIES	Note	2021	2020
Pre-tax result		-141 999 565	-95 470 467
Adjustments for reconciling current year's result with cash flow from operating activities:			
Gain from sale of licence interests		-63 652 526	-
Depreciation, amortisation and write-downs	3	296 373	254 483
Capitalised exploration costs expensed		10 353 506	301 670
Other items having no cash effect – subscription rights		-	202 006
Tax reimbursement received in period	7	119 421 120	137 539 516
Change in working capital (except for cash and cash equivalents):			
(Increase) reduction in trade debtors and other receivables		-1 183 649	-2 620 560
Increase (reduction) in trade creditors and other current debts		15 300 718	9 384 971
Cash flow from operating activities		-61 464 023	49 591 619
INVESTMENT ACTIVITIES			
Investments in fixed assets	3	-336 536	-36 333
Capitalised exploration expenses	3	-68 706 667	-61 753 506
Sale of assets		67 096 648	-
Cash flow from investment activities		-1 946 555	-61 789 839
FINANCING ACTIVITIES			
Share issue	5	810 552	1 023 057
New interest-bearing short-term debt	11	180 800 000	103 200 000
Repayments short-term debt	11	-125 105 567	-97 948 428
Cash flow from financing activities		56 504 985	6 274 629
Net increase (reduction) in cash and cash equivalents		-6 905 593	-5 923 591
Cash and cash equivalents at beginning of year		49 321 058	55 244 649
Cash and cash equivalents at end of year		42 415 465	49 321 058

Concedo AS**Note 1 Accounting Principles**

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

Main principles for valuing and classifying assets and liabilities

Assets intended for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. Classification of current and long-term liabilities is based on the same criteria.

Fixed assets are carried at historical cost net of accumulated depreciation. Fixed assets that have a limited economic life are depreciated according to a reasonable schedule. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Current assets are valued at the lower of historical cost and fair value.

Other long-term and current liabilities are valued at their nominal value.

Interests in oil and gas licenses

Ownership in oil and gas licenses are recognised by including Concedo's share of assets, liabilities, income and expense in the license on a line by line basis (gross method).

Accounting for exploration costs

The company follows the «successful efforts» method of accounting for exploration costs in oil and gas operations. Costs for acquiring mineral interests in oil and gas areas and for drilling exploration wells, are capitalised pending determinations of whether recoverable reserves have been found. Costs for drilling exploration wells where no recoverable reserves are found, geological and geophysical costs and other exploration costs, are expensed.

Exploration wells that have shown reserves, but where classification as proven reserves depends on whether substantial investments are justified, may remain capitalised for more than one year. Capitalised exploration wells and acquisition costs are reviewed continuously for impairment.

Receivables

Trade receivables and other receivables are recognised at their nominal value less provision for expected loss.

Bank deposits, cash in hand, etc.

Bank deposits, cash in hand and cash equivalents include cash in hand, bank deposits and other means of payment having maturity of less than three months from the date of purchase.

Revenue

Revenue is recognised when it is earned, i.e. when both the risk and control have been transferred to the customer.

Expenses

Expenses are generally entered in the same period as the corresponding income.

Leasing agreements

Significant lease contracts that are classified as financial leases are recognised as assets and depreciated using the straight- line method based on the estimated useful life. Operational leases are expensed as incurred.

Pensions

The company is required to maintain an occupational pension scheme in accordance with the Norwegian Act relating to mandatory pensions ("Lov om obligatorisk tjenstepensjon"). The company's pension scheme satisfies the requirements in that Act.

Contribution plans are accounted for according to the matching principle. The year's contribution to the pension scheme is expensed.

Share-based remuneration

The fair value of the services the company has received from the employees in return for the awarded subscription rights is entered as an expense. The total sum expensed over the earning period is calculated on the fair value of the subscription rights awarded.

At each balance sheet date, the company re-estimates the number of subscription rights likely to be exercised. The company enters the effect of any change in the original estimates in the P/L account with a corresponding adjustment of equity capital. After deduction of attributable transaction costs, payments received when rights are exercised are credited to share capital (nominal value) and the share premium account when subscription rights are exercised.

Taxes

Tax expenses are matched with book income before tax.

Tax expenses consist of payable tax (tax on the year's direct taxable income), change in net deferred tax and anticipated reimbursements related to exploration costs.

Deferred tax and deferred tax benefits in the same tax regime are presented net in the balance sheet. Deferred tax benefit is recognised in the balance sheet provided that the future use is rendered probable.

Cash flow analysis

The cash flow analysis is prepared using the indirect method.

Note 2 Payroll costs, number of employees, benefits etc.

Company payments to and pension costs for employees are presented in the following table:

Payroll costs	2021	2020
Salaries	22 474 602	20 840 770
Employers payroll tax	3 713 901	3 104 576
Pension costs	1 961 137	1 764 204
Share-based remuneration	0	202 006
Other benefits	100 613	98 444
Total	28 250 253	26 010 000
Number of man-years employed during the financial year	15	14

Employers payroll tax comprises of tax on payroll and exchange of subscription rights as part of the incentive scheme.

Concedo AS has adopted a contribution-based pension scheme, which has an individual choice of investment. The scheme covers a total of 15 employees.

Remuneration paid to directors and management	Salary	Pension costs	Other remuneration
Geir Lunde (CEO)	1 736 464	97 379	273 255
Olav Fjell (Chairman)			208 542
Nirav Dagli (Director)			100 000
Jonas U Rydell (Director)			100 000
Sandra D Crane (Director)			100 000
Erik Sverre Jensen (Director)			100 000

The CEO has a severance pay contract under which he, if he leaves at the company's request, is entitled to salary for 6 months after his period of notice expires. For subscription rights awarded to the CEO and directors in connection with the incentive scheme, see Note 5. Consultancy services of NOK 250 000 excl. VAT were purchased from Fjellvit AS, a company owned by the Chairman of the Board.

Guidelines and adherence to the guidelines in 2021

In 2021, the company's remuneration policy has been in accordance with the guidelines described in the Annual Report for 2020

Guidelines for 2022

The Board has established guidelines for 2022 for salaries and other remuneration to the Chief Executive Officer and other senior executives. The guidelines will be reviewed at the company's annual general meeting in 2022.

Senior executives receive a basic salary, adjusted annually. The company's senior executives participate in the general arrangements applicable to all the company's employees as regards pension plans and other payments in kind, such as subsidized fitness centre fees. No incentive and bonus scheme has been established for 2022.

Share-based remuneration

The employee incentive system was terminated in 2019 and no subscription rights granted for 2021, nor proposed for 2022.

In 2021 NOK 0 was expensed in the profit and loss statement related to vested subscription rights in this period. At December 31 2021, the estimated amount of share-based remuneration cost yet to be expensed throughout the vesting period is NOK 0. As of 31 December 2021, a provision for "Employers payroll tax" of NOK 97 257 has been expensed.

The fair value of the subscription rights awarded and outstanding as of 31.12.2021, calculated according to Black & Scholes option pricing model, was NOK 647 377.

The calculation is based on a risk-free interest (Government bonds with 3-5 years maturity), and expected exercise of subscription rights after 48 months. The volatility rated used has been between 50-60%.

Number of subscription rights	2021	2020
Outstanding as of 1 January	227 021	337 764
Awarded during year	0	0
Forfeited during year	0	0
Cancelled during the year	0	0
Exercised during year	-64 060	-54 122
Expired during year	-65 784	-56 621
Outstanding as of 31 December	97 177	227 021

29 503 subscription rights were exercised in 2021, but will be registered in 2022.

Auditor

Remuneration for Deloitte AS is as follows (excl. VAT):	2021	2020
Statutory audit	317 850	193 100
Audit-related services	24 500	15 000
Certification services	0	0

Note 3 Tangible/ Intangible assets

	Furniture & Fixtures	Plant & Machinery	License interests, exploration wells	Total
Cost at 1 January	4 406 885	77 725	152 713 131	157 197 741
Additions	336 536	-	68 706 667	69 043 203
Expensed dry wells, previously capitalised			-10 353 506	-10 353 506
Disposals			-15 655 100	-15 655 100
Cost 31 December	4 743 421	77 725	195 411 192	200 232 338
Acc. depreciation at 1 January	4 030 052	77 725		4 107 777
Current year's depreciation	296 373	-		296 373
Acc. Depreciation 31 December	4 326 425	77 725		4 404 150
Book value as of 31 December	416 996	-	195 411 192	195 828 188

Note 4 Share capital and shareholders

As of 31.12.21, the company's share capital consisted of one class of shares, all of which bear the same voting rights.

Acquisition of shares by purchase or as a gift or by any other means requires board approval.

	Number of shares	Nominal value	Book value
Shares	11 807 572	0.2073631	2 448 455
Total	11 807 572		2 448 455

Subscription rights

The right to exercise subscription rights lapses in the event of the company being listed on the stock exchange.

The subscription rights may be exercised during a period of from 3 to 5 years from the date of allocation.

An overview of the subscription rights in the company is shown below.

Name	Number of rights	Subscription price (NOK)	Total Price (NOK)	Allocation date
Employees and Directors	97 177	13	1 263 301	19th December 2017
Total	97 177		1 263 301	

The above figures include 9 819 subscription rights allocated to Geir Lunde (CEO) and 1 603 to Nirav Dagli (Director) in connection with the incentive scheme.

Ownership structure

Name	Quantity of shares	Percentage interest	Home country
H. M. STRUCTURES LIMITED	3 220 682	29,1 %	CYP
EUROCLEAR BANK S.A./N.V.	2 580 000	23,3 %	BEL
MEGABAS AS	2 176 449	19,7 %	NOR
BANK JULIUS BÄR & CO. AG	570 000	5,1 %	CHE
HEATHLANDS HOLDINGS LIMITED	503 967	4,6 %	CYP
KNUTSEN, JOHN ERIC TANDBERG	250 000	2,3 %	GBR
KOCHHAR KHANNA, PIYA	170 000	1,5 %	GBR
FJELLVIT AS	154 529	1,4 %	NOR
GILBO INVEST AS	120 924	1,1 %	NOR
PARSIFAL S.A.S DI M.A CREMONESI C	115 000	1,0 %	ITA
Other Shareholders	1 211 747	10,9 %	Miscellaneous
Total	11 073 298	100 %	

Concedo holds, in addition to the table above, 763 777 (treasury shares) own shares in the company. The table above includes 29 503 shares, related to subscription rights exercised in 2021, but not registered until 2022.

Shares owned by Directors and CEO:

Name	Position	Number of shares
Olav Fjell through 100% in Fjellvit AS	Board Chairman	154 529
Olav Fjell	Board Chairman	7 088
Geir Lunde through 22,4% in Megabas AS	CEO	487 525
Geir Lunde	CEO	41 148
Nirav Dagli	Director	12 000
Sandra D Crane	Director	6 000

Note 5 Equity

	Share capital	Treasury shares	Share Premium	Other paid in capital	Other	Total
Equity at 1 January	2 430 066	-158 379	4 567 126	4 377 118	79 969 891	91 185 822
Subscription rights				-		-
Share issue	18 389		1 347 981	-1 023 057		343 313
Non-registered capital increase				467 239		467 239
Current year's profit/(loss)					14 041 744	14 041 744
Equity at 31 December	2 448 455	-158 379	5 915 107	3 821 300	94 011 636	106 038 118

The value of subscription rights expensed in 2021 of NOK 0 has been calculated according to the Black-Scholes formula.

The share capital at the end of the year is NOK 2 448 455 consisting of 11 807 572 shares at a nominal value of 0.207363131, including 763 777 treasury shares.

Note 6 Other operating revenue

Other operating revenue	2021	2020
Gain sale licenses ⁽¹⁾	63 652 526	-
Other operating revenue	63 652 526	-

⁽¹⁾ Gain sale licenses is related sale of 5% in the Dugong discovery (PL 882), effective from January 2021. In addition to the gain, a carry of total NOK 23,8 millions has been invoiced to the buyer, Neptune Energy Norge AS. The carry was calculated as 10% of the total well costs related to drilling the Dugong Tail Well.

Note 7 Income tax

Income tax for the current year is calculated as follows:	2021	2020
Adjustment for tax refund earlier years	-	-
Change in deferred tax	45 263 605	47 584 140
Tax value of exploration costs (See Note 9)	-201 304 914	-119 421 123
Tax on ordinary income	-156 041 309	-71 836 983

Reconciling nominal and actual tax rates:	2021	2020
Pre-tax profit/loss	-141 999 565	-95 470 467
Anticipated income tax at nominal rate (22%/22%)	-31 239 904	-21 003 503
Anticipated income tax at special surtax rate (56%/56%)	-79 519 756	-53 463 462
Tax effect of following items:		
Non-deductible expenses	2 776 539	313 098
Non taxable income, 78%	-52 335 385	0
Tax effect of interest on loss for carrying forward (22%/56%)	-159 457	-341 055
Effect of surtax (56%/56%)	4 436 655	2 657 939
Income tax	-156 041 309	-71 836 983
Effective tax rate	109,9 %	75,2 %

Specification of tax effect of temporary differences and loss for carrying forward:

	2021		2020	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Exploration expenses and license costs	0	152 218 561	0	118 930 617
Provisions for liabilities	75 860	0	0	0
Loss to be carried forward	26 735 570	0	26 576 113	0
Total	26 811 430	152 218 561	26 576 113	118 930 617
Of which netted	-26 811 430	-26 811 430	-26 576 113	-26 576 113
Net deferred tax asset/ liability	0	125 407 131	-	92 354 504

Profit from oil and gas operations on the Norwegian shelf is taxed in accordance with the Norwegian Petroleum Tax Act.

A special 56% (2020: 56%) surtax is levied in addition to the ordinary 22% (2020 22%) corporate tax. The taxpayer may claim payment from the government for the tax value of direct and indirect expenses (with the exception of financing expenses) for petroleum exploration, provided that the sum does not exceed the year's loss on, respectively, ordinary income in the shelf tax district and the basis for surtax. For 2020 and 2021, the companies can, in addition, claim a refund of the tax loss for these years.

Shelf loss may be utilized against a possible future shelf gain. Alternatively, the tax value of loss carry forwards connected to operations on the Norwegian Shelf will be received in the event of a possible termination of the business.

Deferred tax effect has been capitalised to the extent future realisation is deemed probable.

Note 8 Bank deposits

Bank deposits, cash in hand etc. includes non-distributable withheld tax in the sum of NOK 1 287 974 (2020: NOK 1 234 337) and a rental deposit of NOK 1 013 293 (2020: NOK 973 453)

Note 9 Other receivables

For the 2021 tax assessment the company claims reimbursement of the tax value of petroleum exploration costs and tax loss totalling NOK 201 304 914 (2020: NOK 119 421 123), see Petroleum Tax Act, 5th paragraph of section 3c.
Outstanding accounts with operators and others are also in the financial line item "Other receivables".

Note 10 Leasing agreements

Annual rental for non-capitalised assets amounts to NOK 1 420 390 (2020: 1 634 672), which relates to rent for the office premises in Asker.
The tenancy was renewed in 2021 for five years starting 01.11.2021.

Note 11 Debt to financial institutions

The company has a credit line of NOK 350 000 000 in SpareBank 1 SR-Bank ASA. The interest rate is NIBOR plus a margin of 2,30 %.

Withdrawals are limited to 95% of the tax value of petroleum exploration expenses. Repayments coincide with the reimbursement of exploration expenses from the tax authorities. Concedo signed at the end of 2020 a new Exploration Finance Facility agreement for two years utilisation and with one year extension.

As of 31 December 2021 the exploration loan amount totalled NOK 188 519 987. The tax reimbursement is estimated to NOK 201 304 914, of which NOK 199 503 008 is reimbursement of exploration costs and NOK 1 801 906 is reimbursement of other costs, see notes 7 and 9.
95% of the estimated exploration tax reimbursement amounts to NOK 189 527 858. This means that the company is in compliance with the exploration loan agreement.

The exploration loan is secured by the tax reimbursement scheme and balances thereon, and monetary claims in respect of all present and future insurances.

Note 12 Other current liabilities

	2021	2020
Working capital liabilities in joint ventures	39 128 033	22 365 299
Wages, holiday pay and bonus	2 515 644	2 328 485
Accrued expenses	606 389	830 380
Other current liabilities	97 257	0
Total	42 347 324	25 524 165

Note 13 Financial market risk

The company employs financial instruments such as bank loans and deposits. The purpose of these instruments is to procure capital for the investments required for the company's activities. Other financial instruments are trade debtors etc. that are directly linked with everyday operations. The company does not trade in derivatives.

The most significant financial risks the company is exposed to are related to oil prices, interest rates, capital needs and loan terms. The risk of trade debtors and partners being unable to fulfil their obligations towards Concedo is considered to be low. The company is to a limited degree exposed to currency risk. The company has not entered into any contracts to offset the risks.

Note 14 Exploration costs

Exploration costs in the profit and loss statement consist of the following:

	2021	2020
Payroll costs, ref note 2	28 250 253	26 010 000
Seismic, drilling and general licence expenses	152 624 841	47 369 183
Other operating costs linked with exploration	16 542 469	17 139 513
Total	197 417 562	90 518 696

Exploration expenses eligible for tax refunds amount to NOK 255 773 087 in 2021 (2020: NOK 151 694 422).

Note 15 Sponsorships

In line with the company's Anti-bribery and corruption procedures the information on sponsorships shall be given in the notes of the Annual report. In 2021 the company

Asker Skøyteklubb NOK 16 000
Asker Fotball NOK 10 000
Frelsesarmeen NOK 10 000
Støtteforeningen for Kreftrammede NOK 10 000
Asker Svømmeklubb NOK 5 000
Bergstuderendes Forening NOK 5 000
Petroleum Fotballklubb Trondheim NOK 5 000
Stiftelsen NaKuHel Asker NOK 5 000
Norges Blindeforbund NOK 1 639

Note 16 Licenses

North Sea

PL 784 (20%): in blocks 25/3, 6. Operator is Aker BP ASA. G&G work ongoing. It was decided to apply for two years extension of DoD until February 2024.

PL 815 (20%): in block 16/5. Lundin Energy Norway AS is Operator. Well 16/5-8S was drilled in August 2019 into the Goddo prospect and proved oil in weathered basement. The discovery will be further evaluated, in particular, in relation with the results from the long-term test of 16/1-12 (Rølfesnes) oil discovery, starting 3Q 2021.

PL 882 (15%): in blocks 33/6 and 34/4. Neptune Energy Norge AS is Operator. Awarded in APA 2016. Concedo sold 5% of its share to Neptune in January 2021. The 34/4-15S discovery was delineated by well 34/4-16S, March 2021, which proved an OWC. A DST was performed in well 34/4-16S during August. Permanent pressure gauges were installed later in 2021. The announced discovered recoverable volumes are 40-108 million boe (ca 80% oil). The Tail prospect was drilled by well 33/6-5S in autumn 2021. The Brent target was proved dry. PL 882 is now preparing for a PDO in 2024.

PL 989 (30%): in block 36/7. Wintershall Dea Norge AS is Operator. DoD is extended to February 2023. The main focus in the partnership is on the potential recovery of the shallow oil discovery within the license.

PL 992 (30%): in blocks 33/6, 9. Neptune Energy Norge AS is Operator. The work programme, to acquire and reprocess 3D seismic, has been fulfilled. DoD has been extended to February 2023.

PL 1043 (30%): in blocks 25/7 and 25/8. Operator is Vår Energi ASA. The work programme, to acquire modern 3D seismic, has been fulfilled. DoD extended six months until August 2022.

PL 1047 (20%): in blocks 30/4, 5, 7 and 30/8. Aker BP ASA is Operator. Acquire and reprocess modern 3D seismic. EM feasibility. EM data has been acquired and analysed. DoD February 2022. The license will be dropped.

PL 1096 (10%) in block 25/11. Awarded in APA 2021. The work programme includes acquiring of 3D and EM (fulfilled) and reprocess 3D seismic. DoD February 2023.

Barents Sea

PL 901 (20%): in blocks 7122/5, 7122/6 and 7123/4. Vår Energi ASA is Operator. Awarded in APA 2016. 3D seismic has been acquired and reprocessed. The Rødhetta prospect was drilled by well 7122/6-3S in autumn 2021. The well proved 9-12 million boe oil and gas. One year extension of BOK, until October 2023, has been approved.

PL 1074 (20%): in blocks 7121/10, 11,12 and 7122/10. Awarded in APA 2019. Operator is Vår Energi ASA. Reprocessing 3D/acquire new 3D. License extension of one year has been approved. DoD by February 2023.

PL 1075 (40%): block 7123/4, 5. Awarded in APA 2019. Operator is Vår Energi ASA. The work programme is fulfilled (acquire 3D seismic). DoD has been extended by one year until February 2023.

Note 17 Relinquished Licences

North Sea

PL 926 (30%): in blocks 33/9,12 and 34/10. DNO Norge AS is Operator. Awarded in APA 2017. The work programme includes acquire and/or reprocess 3D seismic. DoD was by February 2021. The licence was relinquished March 2021.

Barents Sea

PL 1022 (30%): in blocks 7121/9 and 7122/7. Awarded in APA 2018. Aker BP ASA is Operator. Reprocess 3D seismic before DoD February 2021. The license was relinquished March 2021.

Note 18 Transferred interests in 2021

North Sea

PL 882 (15%): Concedo divested a 5% interest (out of 20%) in PL 882 to Neptune Energy Norge AS with effective date 01.01.2021. The divestment also included a well-carry cost agreement.

Note 19 New awarded Licences 2022 (APA 2021)

North Sea

PL 882B (15%): block 33/6, 34/4. Neptune is Operator. Additional acreage to PL 882.

PL 1043B (30%): block 25/8. Vår Energy is Operator. Additional acreage to PL 1043.

Barents Sea

PL 1168 (50%): block 7121/8,9 7122/7. Vår Energy is Operator.

Note 20 Payments/refund of tax and payments to Government

In accordance with the Norwegian Accounting Act Section § 3-3 d), companies engaged in activities within the extractive industries shall annually prepare and publish information about their payments to governments at country and project level. The Company has only activity on the Norwegian Continental Shelf and taxes in Norway are levied on company basis and not project basis.

The table set out below, shows the payments to and refund from the Norwegian Government, related to tax and other fees, derived from the Company's business on the Norwegian Continental Shelf. Payments from Joint Venture where the Company participate, are done by the operator, and are not included in the payments

	2021	2020
Tax refund received	119 421 120	137 539 516
Interest on Tax refund, received	-	1 865 802
Payments of other fees	-1 200 742	-891 644
Total payments/refund to/from the Norwegian Government	118 220 378	138 513 674

For information about investments, revenue and purchases of goods and services, reference is made to the Income Statement and the related notes. The Company has no production or petroleum revenue.

Note 21 Going concern

The financial statements have been prepared based on the going concern assumption. In compliance with section 3-3a of the Accounting Act, we confirm that the requirements for a going concern have been satisfied. The Company's equity position has been strengthened by an oversubscribed share capital increase of NOK 30 million directed solely towards existing shareholders. The registration of the share capital increase in the Brønnøysund Register Centre and the subsequent distribution of new shares is remaining. Following the share capital increase it is the Board's assessment that the Company will have sufficient funds to support the operations throughout the year. The Board will consider the capital situation at the end of the year in connection with the drilling programme for 2023.

Russia's war against Ukraine has contributed to increased oil and gas prices and created additional uncertainty in the European energy markets. The war has been an eye-opener with regards to European dependency on Russian gas. European efforts will now be made to reduce the dependency on Russian gas and eventually cut it completely. These efforts will benefit other European gas suppliers like Norway. Going forward, with power and gas shortage and war in Europe, and great compatibility between energy sources for power production, the risk of low oil and gas prices are lower than in many years.