



ANNUAL REPORT

2024

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OUR ORGANISATION

PEOPLE & OFFICES

- HQ Stord
- Bergen
- Karmøy
- Arendal

OPERATIONAL PLANTS & PROJECTS

- Stord Hydrogen
- Kaupanes Hydrogen
- KaupEx / Project
- HyFuel / Project
- Meraker Hydrogen / Project
- Tellenes Hydrogen / Project

OUR VISION

HYDS - Hydrogen Solutions will pioneer the field of green hydrogen to drive a sustainable energy transition.

OUR MISSION

Develop, build, own and operate best-in-class scalable and local hydrogen production plants to drive and develop the market and meet the demand from customers and other stakeholders.

OUR VALUES

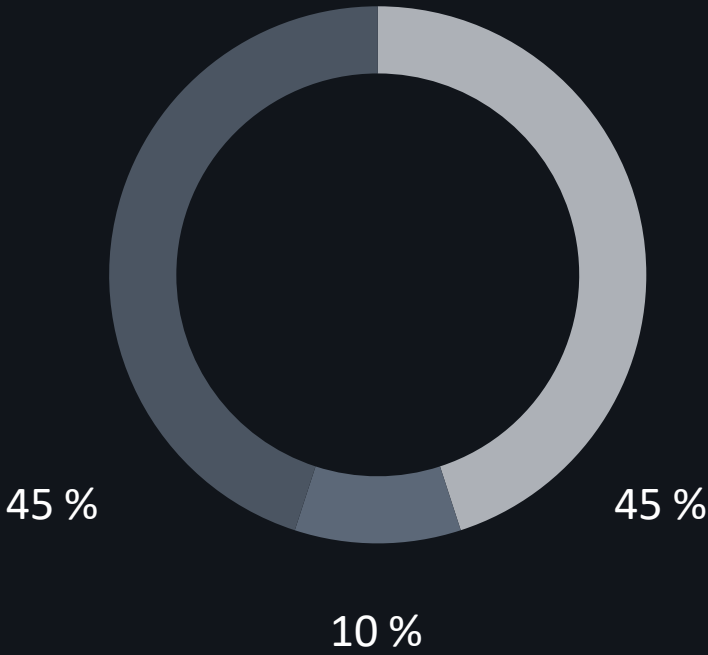
Safe // Sustainable // Trust // Drive

Green Hydrogen
– for a Sustainable Tomorrow

OUR OWNERS & BOARD OF DIRECTORS

Owners of HYDS are Sunnhordland Kraftlag (SKL) 45% and Dalane Energi 10%, both are local Norwegian utility companies with a background in Norwegian hydropower.

HYDS is also owned 45% by key employees, experienced and entrepreneurs from the energy and gas industry.



Lone Frogner
Chair of the Board



Ove Røssland
Board Member



Kjetil Harestad
Board Member



Idar Sønstabø
Board Member



OUR BUSINESS MODEL



HYDS supplies green hydrogen to customers within a wide range of industries

We develop, build, own and operate best-in-class scalable local hydrogen production plants to foster market growth and meet the demand from customers and stakeholders.

HYDS is a rapidly growing Norwegian hydrogen company, established in 2021 and headquartered in Leirvik at the island Stord, south of Bergen, Norway.

We develop environmentally friendly energy solutions for various industries by offering green hydrogen, produced through electrolysis and electrical power from renewable sources.

HYDS develops, builds, owns and operates hydrogen facilities, providing green hydrogen and hydrogen derivatives through scalable and local facilities. We are part owner and operator of two production facilities for compressed RFNBO hydrogen.

Stord Hydrogen AS (75% ownership), opened May 2023, and Kaupanes Hydrogen (48.39% ownership), opened February 2024, providing green hydrogen to customers in industry, construction, mobility and maritime industry, in and outside of Norway. Third hydrogen plant HyFuel (50,5% ownership) in Florø is to be opened 2027.

OUR PEOPLE



Dedicated team of highly skilled industry competence

HYDS' vision and values shall contribute to the sustainable development of people, nature, and culture. Through high demands for ethics and respect, all our activities are to be based on our values; All activity shall be safe and sustainable, and all activity shall build trust and be performed with a drive for development to the better.

The HYDS team has a strong drive in reducing emissions and ensuring access to clean green energy. We have high expertise, knowledge and experience of the entire value chain of green hydrogen.

Our people reflect the strong focus on safe operations with a risk-based approach integrated in our mindset and within all activities, covering all the essential stages in production of green hydrogen from research and development, project execution and plant operation.

We are proud of our committed employees who contribute with engagement, integrity and an innovative attitude to build HYDS as a leading force in the green energy transition.

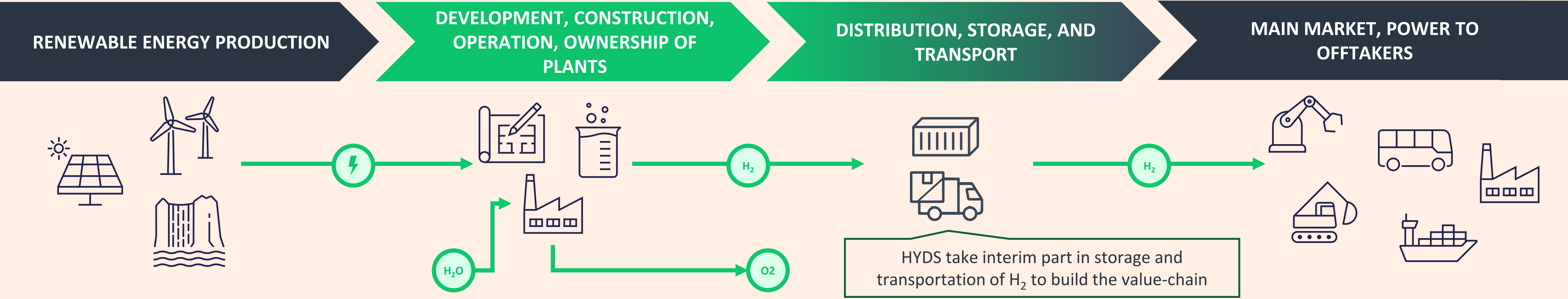
Number of employees
2023

15

Number of employees
2024

25

OUR VALUE CHAIN



RENEWABLE ENERGY

Hydrogen Solutions – HYDS will pioneer the field of green hydrogen to drive a sustainable energy transition.

SCALABLE & CLOSE TO MARKET

Locally produced hydrogen shortens the transport distance and results in a lower footprint. We scale up in line with market needs.

MARKET DEVELOPMENT

We contribute to market development and enable industry and commerce to take the steps towards zero emissions.

LETTER FROM CEO

2024 has been a rewarding and defining year for HYDS. Our strategic direction continues to gain momentum, aligned with our long-term ambitions. With the launch of new production facilities, we are now delivering green hydrogen to a growing base of customers across various sectors, both domestically and internationally. I am proud to say that we are realising our vision and playing a meaningful role in building a more sustainable tomorrow.

Throughout the year, we have made significant progress in technology and product development across our projects, ensuring stable growth in both the number of facilities and our total hydrogen production capacity. We are meeting today's market demands while actively preparing for increased future needs. At the same time, we are strengthening our organisation with a long-term focus on growth and resilience.

In just three years of operation, HYDS has built a strong foundation of technical expertise and industry know-how. This year, we have further consolidated our capabilities by internalising more of our critical functions. Our journey so far has been one of dedicated effort, innovation, and expansion, made possible by a growing and highly committed team.

I am especially proud of our employees, who continue to meet complex challenges with professionalism, drive, and integrity. Their unwavering commitment to our business philosophy and core values is what drives our success and sets us apart in the industry. It is this collective spirit that ensures HYDS remains an attractive partner, supplier, customer and an inspiring place to work.



Over the past year, we have continued to demonstrate our ability to deliver green hydrogen to a broader customer base. We have strengthened our supply chain through new strategic partnerships and collaborative projects, positioning HYDS as a key player in the hydrogen ecosystem. In 2024, we produced 10 tons of green hydrogen, a modest but important milestone, and we remain committed to scaling production in a safe and market-driven way. Our knowledge, experience, and capabilities now equip us to grow alongside market demand.

We have also successfully entered new markets and secured a foothold in key segments, including construction, heavy transport, industry, and maritime. Our contributions to innovative projects, such as the development of “green” asphalt and hydrogen-powered excavators, highlight our role in pioneering sustainable solutions. Looking ahead, we are on course to become a leading supplier of green hydrogen to Norway’s maritime sector.

A major highlight of the year was the NOK 386 million grant from ENOVA, a milestone that validates our strategic focus on the maritime industry. I am incredibly proud of our team for their work on the HyFuel project in Florø and the Kaupanes Expansion Project in Eigersund. These initiatives will serve as national hydrogen hubs, helping to decarbonise maritime transport and accelerate the shift to hydrogen-based fuels over the coming decade. They also reinforce HYDS’s position as a dependable and forward-looking supplier in this sector.

Finally, I am pleased to note that HYDS is increasingly recognised as an industrial partner with a strong and respected voice in the energy transition. We take this responsibility seriously. With a forward-looking mindset, we will continue to grow our company, contribute to the development of the hydrogen industry, and actively influence the political frameworks that shape our future.

As we gain recognition from international stakeholders, I am proud to affirm that HYDS has established itself as a trusted producer of green hydrogen. With sustainability, risk management, and safety always at the forefront.



Frode Kirkedam - CEO



HIGHLIGHTS 2024

The HYDS team has expanded considerably from last year, ensuring continued drive, expertise and development going forward.

We are accelerating our position within the maritime, mobility, and construction sectors, supported by deliveries from our two existing production plants, forming the foundation for strategic expansion and market growth.

Q1

January 2024 - With support from Enova, HYDS advances the development of the Hydrogen Plant Control System, enhancing adaptability to the power market and available energy. All plants are now fully remotely operated and monitored 24/7 by Sunnhordland Kraftlag (SKL, Stord).

February 2024 - Official opening of Kaupanes Hydrogen by Norway's Minister of Industry, Jan Christian Vestre. Green hydrogen production at Eigerøy (Eigersund) is well established, with deliveries to various industries across the Nordics.

Q2

May 2024 – A new strategic partnership is formed with px Group to strengthen the renewable technology efforts and contribute to the acceleration of the low-carbon energy transition.

Q3

June 2024 - HYDS acquires a 31% ownership stake in Meråker Hydrogen AS. It is strategically located near key infrastructure and distribution hubs, targeting regional markets in Norway and Sweden.

June 2024 - HYDS joins the HyFuel Project in Florø, acquiring a 33% ownership share. A final investment decision on a 20MW green hydrogen production plant is expected in 2025, in collaboration with Fjord Base Holding and Sogn og Fjordane Energi (SFE), aiming to secure a strong position in the maritime sector.

Q4

November 2024 - HYDS and its partners are awarded NOK 386 million in Enova funding to establish the HyFuel project (in collaboration with Fjord Base Holding and Sogn og Fjordane Energi in Florø) and to scale up the Kaupanes production plant through the KaupEx Project (with Dalane Energi and Eigersund Næring og Havn KS in Eigersund).

December 2024 – HYDS, together with the Norwegian Public Roads Administration, Applied Hydrogen, Veidekke, Skanska, and Volvo Maskin, signs a cooperation agreement to develop and test Norway's first hydrogen-powered excavator. The goal is to support a more sustainable construction industry with zero-emission solutions for even the heaviest machinery.



Kaupanes Hydrogen in Eigersund Harbour, February 2024.

OUR SUSTAINABILITY COMMITMENT

HYDS aims to develop and strengthen knowledge, expertise and solutions that minimise or eliminate the negative impact from our operations and from the industries in which the company operates.



Sustainability is a natural driver for HYDS' ownership and forms the basis of our company strategy, business philosophy and our values.

Sustainability is the overarching, strategic driver for HYDS and all branches of the company. It is the overall driver for all our operations, locally, nationally and globally.

We commit ourselves to living up to these standards:

- HYDS shall have a broad and holistic understanding of sustainability as an overall strategic driver
- HYDS shall develop the company, the people and the working environment with respect and equality, for the best of the individual and society
- HYDS shall create lasting values and profitability in a long-term perspective
- HYDS shall adhere to honest and healthy attitudes, based on high ethics and morals



Ten years in 2025 since the historic Paris Agreement was signed by world leaders during the United Nations Climate Change Conference (COP21). The Agreement is a legally binding international treaty to tackle climate change and its negative impacts. Today, 195 Parties (194 States plus the European Union) have joined the Paris Agreement.

NET ZERO & ECONOMIC SENSE

HYDS pay high attention to the emissions cuts needed for the world to reach the net zero goal. Zero emissions is at the core of our business, and integrated in our business model, guiding us in development and management of our strategy and operations. Beside being healthier for people, renewable energy experience worldwide a significant price drop, allowing renewables to continue building up and providing more jobs and a positive curve in a financial perspective.

CLIMATE ADAPTATION

HYDS contribute strongly to climate adaptation by providing energy solutions that are proven future proof. Our core business is to serve our customers with green energy solutions which allows them to cut their emissions and take important steps into the green shift. For renewable energy technology to be a global public good - meaning available to all, and not just to the wealthy - it will be essential to remove roadblocks to knowledge sharing and technological transfer, including intellectual property rights barriers. In HYDS we work continuously in a transparent manner and with a strong focus to ensure local production and availability, to grow and scale up in sustainable manner and to cover the market needs in early stage to facilitate customer's choices.

ENERGY TRANSITION & CLIMATE RESILIENCE

Energy is at the heart of the climate challenge – and key to the solution. The science is clear: to avoid the worst impacts of climate change, emissions need to be reduced by almost half by 2030 and reach net-zero by 2050. HYDS takes an important role in developing renewable energy in green hydrogen industry including large upfront investments in technology and infrastructure. We contribute actively to market development to secure a sound and sustainable development of infrastructure within industries with significant needs to reduce their emissions. Creating further adaptation and cooperation is top priority entering the next decade of the Paris Agreement.

OUR FRAMEWORK

PARIS AGREEMENT AND THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS

The Paris Agreement and the UN Sustainable Development Goals bring forth a pathway for developed nations to assist developing nations in their climate mitigation and adaptation efforts, while creating a framework for the transparent monitoring and reporting of countries' climate goals. It provides a durable framework that guides us, on our way to create lasting solutions in the energy transition.

ESG – ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental, Social and Governance (ESG) - often called sustainability, refers to the business model and how products and services contribute to a sustainable development. It is also about the company's risk management and how we manage our operations to minimise or eliminate negative impact. ESG help us work systematically to embed ESG into our business model.

R&D ACTIVITY

Research and development is an important part of our business where we continuously work to improve the way we do things. R&D is part of maturing the company in desired direction and contributes to drive change in the industries where we operate and do our business. R&D is important also in our ESG risk assessments and contributes to the strategic direction point out, being an important support in decision making.

PARTNERSHIPS & COLLABORATION

Collaboration and interdisciplinary partnerships are valuable and often imperative to achieve development in industry, technology, governance and sound social structures. Through developing collaborative solutions to systemic problems together with industry partners, industrial symbiosis, NGOs, academia and research, we can actively contribute to drive change towards more sustainable ways of doing things, with changes in mindset which leads to changes in actions.





OUR ESG FOCUS

ENVIRONMENTAL

Climate change is affecting our planet, with lasting consequences for future generations. It is crucial for HYDS to proactively address and mitigate the potential environmental effects of long-term climate changes. By implementing environmentally sustainable practices in our operations and offering products and services that empower our customers to adopt sustainability, HYDS plays a vital role in addressing the challenges caused by climate changes.

SOCIAL

HYDS has an impact on the well-being of employees, workers throughout the value chain, customers, and local communities. We prioritise the respect of fundamental human and labour rights, ensuring that our employees experience favourable, healthy, and secure working conditions.

HYDS is dedicated to ensuring that our operational entities contribute positively to their respective communities by fostering a sound business development, promoting innovation, encouraging collaborative efforts, and value-adding to the society.

GOVERNANCE

Driven by humanitarian values and business judgement, HYDS actively takes steps to align with the principles of a green economy. HYDS behaves in a respectful manner towards relevant laws, rules, and regulations where we operate. This requires our commitment to comply with environmental, labour, anti-corruption, and anti-money laundering laws, rules, and regulations.

Upholding high ethical standards is a non-negotiable commitment, expected from all our employees and operational entities.

OUR EXPERIENCES

Safety and risk management is our primary focus in everything we do, and HYDS places a distinct emphasis on ensuring safety, transparency, and accountability in the entire production of green hydrogen.

PART OF THE ENERGY TRANSITION

Enabling emission-free shift within several industries

Green hydrogen and hydrogen derivatives are eco-friendly alternatives for industries, fuel for vehicles, trailers, ships, trains, and airplanes. As an energy carrier, green hydrogen can also contribute to flexibility and realisation of new renewable energy.

In addition to our focus on compressed green hydrogen, liquid green hydrogen are one of the alternative energy carriers proved as a reliable technology to fuel e.g. short-sea shipping. With scaling up our existing plant in Southern Norway, and establishing a new plant in Mid-Western Norway, both situated on the coast, HYDS is preparing to enter the liquid green hydrogen market. With this, we will be a further strategic strong and reliable supplier and partner of emission free fuels - contributing to the much-needed energy transition in shipping.

Green energy is a term used for energy that comes from renewable energy sources such as hydropower, wind, and solar energy. These energy sources are often unreliable due to their dependence on the weather. To enable a transition to a sustainable energy production, energy storage technologies are needed.

Green energy storage technologies include energy carriers such as green hydrogen, hydrogen derivatives and rechargeable batteries. An energy carrier is not a source of energy, but a means to store it for later use. Energy stored in chemical bonds in these green energy carriers can be converted to electrical energy or vice versa, without CO2 emissions.

Hydrogen has preferred properties such as long range and high energy density, which requires less frequent refuelling compared to other fuels. In use, hydrogen produces zero emissions and is considered one of the most important energy sources of the future.

20MW plant to open in 2027 at central, Norwegian maritime fuel hub

HyFuel will contribute to the green transition through the production of green hydrogen at Fjord Base in Kinn municipality, in Mid-Western Norway. The plant will work to ensure sustainable production and circular economy by utilising the by-products from production, oxygen and heat, in land-based fish farming and into other neighbouring industry, in a circular symbiosis. HyFuel aim to make the maritime sector, as well land transport and mobility, greener and is perfectly positioned to do so.

HyFuel AS was established in 2020 by Fjord Base Holding AS (FBH), Sogn og Fjordane Energi AS (SFE) and Gasnor AS with a 33.3% stake each.

In June 2024, Hydrogen Solutions AS (HYDS) entered as majority owner. HYDS is project lead of HyFuel.

HyFuel AS is owned by:

- HYDS 50.5%
- SFE 33.5%
- Fjord Base Holding 16%.

November 2024, HyFuel was granted NOK 180 mill. from ENOVA's program for energy transition in the maritime sector for the establishing of a 20 MW hydrogen plant centrally located at Fjord Base in coast city Florø. The grant is part of Enova's allocation program for hydrogen production for maritime transport 2027 and the acceptance includes a commitment to carry out the project. The project will make a Final Investment Decision within the deadline in the Enova program November 2025.

With the base's annual handling of over 2,000 ship calls and over 400 kilotons of cargo over the quay, the potential for local production and distribution of hydrogen from HyFuel to the maritime industry is favourable. In the report "Scenario analysis of infrastructure needs for alternative fuel for vessels in the maritime sector", the location is highlighted as one of the most central geographical locations in Norway for the distribution of maritime zero-emission fuel. The report has been prepared on behalf of Enova, NVE and the Norwegian Coastal Administration.

**Enova is a state enterprise, located in Trondheim. The ownership is managed by the Ministry of Climate and the Environment (KLD).*

KAUPANES HYDROGEN & KAUPLEX



Kaupanes Hydrogen AS:

- Established 2023.
- Plant in operation from February 2024.
- HYDS – Hydrogen Solutions AS is the operator of the hydrogen plant.
- Remotely controlled operation 24/7 through Sunnhordaland Kraftlag AS's operations centre.

The KaupEx Project is owned by:

- HYDS 47,5%
- Dalane Hydrogen 47 %
- Eigersund Næring og Havn KF 5 %.

1 MW Hydrogen Plant Opened in 2024 – Expansion to 20 MW Planned by 2027

In February 2024, HYDS opened its second 1 MW hydrogen production plant in Norway. With securing a funding of 206 MNOK from Enova, the planned expansion will significantly increase the production capacity of green hydrogen at Kaupanes, scaling up the production capacity to serve various markets both in Norway and internationally.

Kaupanes Hydrogen is a producer of renewable hydrogen, located on Eigerøya in the municipality of Eigersund. Today's 1 MW plant currently supplies compressed green hydrogen with fuel cell quality to various costumers in the Nordics.

In November 2024, the KaupEx (Kaupanes Expansion) project was awarded NOK 206 million in funding from Enova's program for energy transition in the maritime sector. With this, the project is part of Enova's allocation program for hydrogen production for maritime transport in Norway, with a commercial operational targeted by end of 2027. The grant acceptance, confirmed in February 2025, includes a strong commitment to carry out and finalise the project.

Kaupanes Hydrogen is strategically located at Eigersund Harbour, which serves as a first and last anchorage point for many maritime vessels sailing between Norway and Europe. The port is also one of Norway's largest and busiest fishing ports, with over 9,000 registered vessel passages annually. The plant's location is well positioned to serve multiple markets.

KaupEx will take a final investment decision within 2025.

**Enova is a state enterprise, located in Trondheim. The ownership is managed by the Ministry of Climate and the Environment (KLD).*

FINANCIAL RESULTS



KEY FIGURES

INCOME STATEMENT

01.01 – 31.12

Amounts in NOK	Note	2024	2023
Revenue		35 678 173	32 108 126
Other income		13 271	271 200
Total revenue and other income	1	35 691 444	32 379 327
Materials, goods and services		12 417 990	19 665 726
Personnel expenses	2	28 136 702	16 483 753
Other operating expenses	3	22 827 278	7 474 807
Operating expenses before depreciation and amortisation		63 381 970	43 624 286
Depreciation and amortisation		703 834	120 928
Operating income/(loss)		-28 394 359	-11 365 886
Finance income		639 052	–
Finance expenses		1 022 472	255 670
Impairment of financial non-current assets		9 856 888	–
Profit/(loss) before tax		-38 634 668	-11 621 556
Income tax expense	4	–	–
Profit/(loss) for the year		-38 634 668	-11 621 556
Profit/(loss) for the year attributable to:		-38 634 668	-11 621 556
Transfer to/from share premium		-38 634 668	-11 621 556

BALANCE SHEET

AS OF 31 DECEMBER

Amounts in NOK	Note	2024	2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	10 090 929	3 276 125
Financial assets			
Investments in subsidiaries	6	28 593 651	9 768 287
Investments in associated companies	6	5 150 293	800 000
	6/7	3 379 708	–
Total financial assets		37 123 652	10 568 287
Total non-current assets		47 214 581	13 844 412
CURRENT ASSETS			
Receivables			
Accounts receivable	7	7 666 738	9 603 664
Other receivables		4 801 543	4 370 520
Total receivables		12 468 281	13 974 184
Cash and cash equivalents	8	23 189 415	12 629 218
Total current assets		35 657 696	26 603 403
Total assets		82 872 278	40 447 815

BALANCE SHEET

AS OF 31 DECEMBER

CONT.

Amounts in NOK	Note	2024	2023
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9/10	13 600 000	11 333 390
Share premium	9	27 831 656	38 733 684
Total paid-in capital		41 431 656	50 067 074
Retained earnings	9	-20 499 078	-20 499 078
Total equity		20 932 578	29 567 996
LIABILITIES			
Non-current liabilities	11	1 218 750	–
Current liabilities			
Convertible loans		46 000 000	–
Accounts payable		6 334 664	6 495 718
Public duties payable		2 256 795	1 905 305
Other current liabilities		6 129 492	2 478 799
Total current liabilities		60 720 951	10 879 821
Total liabilities		61 939 701	10 879 821
Total equity and liabilities		82 872 278	40 447 815

Stord 22.05.2025 The Board of Directors and the CEO of Hydrogen Solutions AS


LONE FROGNER
Chairman


KJETIL HARESTAD
Director


OVE RØSSLAND
Director


IDAR SØNSTABØ
Director


FRODE KIRKEDAMN
CEO

ACCOUNTING PRINCIPLES

BASIS FOR PREPARATION

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Norwegian Accounting Act, generally accepted accounting principles for Small Companies (NRS 8).

BASIS FOR MEASUREMENT

The financial statements are prepared on the historical cost basis.

FUNCTIONAL CURRENCY

The financial statements are presented in Norwegian kroner (NOK), which is Hydrogen Solutions' functional currency.

FINANCIAL REPORTING PRINCIPLES

The relevant reporting principles are described in the applicable note to the financial statements.

CONSOLIDATION

Hydrogen Solutions AS is exempted from preparing consolidated financial statements, based on the company being defined as a small company.

REVENUE RECOGNITION

Revenue from sale of goods are recognised in the income statement at the time of delivery.

Service revenues are recognised when the services are provided.

All customer contracts are assessed. EPCI revenue is recognised over time based on cost progress.

DEVELOPMENT COSTS

Development costs are expensed when incurred.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable at the balance sheet date. Gains and losses due to exchange rates are recognised in the income statement as they occur during the accounting period.

CLASSIFIATION OF BALANCE SHEET ITEMS

Non-current assets include assets that are intended for long-term ownership and use.

Fixed assets are valued at acquisition cost and depreciated over the expected useful life of the asset. Impairment is assessed and recognised if there is a change in value which is not expected to be temporary.

Current assets and current liabilities include items due for payment within one year from the balance sheet date and items related to the operating cycle. Current assets are valued at the lower of acquisition cost and fair value.

RECEIVABLES

Trade receivables and other receivables are recorded in the balance sheet at nominal value after deduction of provisions for expected losses.

Provisions are made based on individual assessments for the receivables.

NOTE 1.

REVENUE

FINANCIAL REPORTING PRINCIPLES

Trade receivables and other receivables are recorded in the balance sheet at nominal value after deduction of provisions for expected losses.

REVENUE

Amounts in NOK	2024	2023
Hydrogen sales	947 505	687 739
Project related revenue	20 518 635	19 285 924
Service and maintenance revenue	14 212 033	12 134 464
Other income	13 271	271 200
Total revenue	35 691 444	32 379 327

NOTE 2.

PERSONAL EXPENCES

FINANCIAL REPORTING PRINCIPLES

Personnel expenses comprise all types of remuneration to personnel employed and are expensed as the related service is provided. Contributions to the defined contribution pension plans are recognised as an expense in the income statement as incurred.

PERSONNEL EXPENSES

Amounts in NOK	2024	2023
Salaries	21 283 750	12 453 595
Social security tax	3 552 528	1 998 280
Pension costs	1 978 102	1 004 133
Other employee costs	1 322 323	1 027 744
Total personnel expenses	28 136 702	16 483 753
Total number of FTEs (full- time equivalents) as of 31 December	24,6	15

The company is required to have an occupational pension scheme according to the Mandatory Occupational Pension Act. The pension policy of the company meet the requirements.

NOTE 2.

CONT.

REMUNERATION TO THE CEO

Amounts in NOK	2024	2023
Salary	1 681 790	1 645 811
Pension	67 272	14 781
Other remuneration	44 177	15 876
Total	1 793 239	1 676 468

The Chairperson of the board of directors, Lone Frogner, received a remuneration of NOK 312 500 in 2024. No loans or other securities have been issued to the CEO, members of the board or employees.

NOTE 3.

AUDIT FEES

Amounts in NOK	2024	2023
Statutory audit	77 064	25 000
Other assurance services	17 940	30 925
Total	95 004	55 925

All amounts are without VAT.

NOTE 4.

TAX

FINANCIAL REPORTING PRINCIPLES

The income tax expense consists of tax payable for the period and changes in deferred tax.

Deferred tax/deferred tax assets are calculated on all differences between the carrying amount and tax value of assets and liabilities.

Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.

The company does not recognised deferred tax assets in the balance sheet in accordance with generally accepted accounting principles for small companies.

Amounts in NOK	2024	2023
CURRENT INCOME TAX		
Tax payable	–	–
Change in deferred tax	–	–
Total income tax expense	–	–
TAX BASE		
Profit/loss before tax	-38 634 668	-11 621 556
Permanent differences	10 543 144	43 496
Change in temporary differences	14 047 177	-549 451
Group contribution received	–	113 591
Tax base	-14 044 347	-12 013 920
TAX PAYABLE FOR THE YEAR		
Tax payable	–	-24 990
Tax payable on group contribution	–	24 990
Tax payable in the balance sheet	–	–

Deferred tax calcaultion (Amounts in NOK)	2024	2023	Change
Fixed assets	1 307 459	611 414	-696 045
Receivables	-12 618 232		12 618 232
Provisions	-2 124 990		2 124 990
Total	-13 435 763	611 414	14 047 177
Tax loss carry-forwards	-34 992 578	-20 948 231	14 044 347
Not included in the calculation of deferred tax:	48 428 341	20 336 818	-28 091 523
Deferred tax assets (22 %)	–	–	–

NOTE 5.

PROPERTY, PLANT
AND EQUIPMENT

FINANCIAL REPORTING PRINCIPLES

Property, plant and equipment (PPE) are stated at the cost less accumulated depreciation and impairment losses. Components of PPE with different useful lives are accounted for separately.

Assets are normally depreciated on a straight-line basis over the expected economic lives.

Amounts in NOK	Storage tank	Fixtures, tools and equipment	Licences, acquired	Project Delivery Model	Heat Flushing	IT and office machines	Under construction	Total
HISTORICAL COST								
Balance as of 31 December, 2023	2 107 000	273 636				698 456	398 160,00	3 477 252
Additions	2 246 555		407 491	1 295 822	268 150	421 231	2 879 389,00	7 518 638
Balance as of 31 December, 2024	4 353 555	273 636	407 491	1 295 822	268 150	1 119 687	3 277 549,00	10 995 890
ACCUMULATED DEPRECIATION AND IMPAIRMENT								
Balance as of 31 December, 2023	0	34 649	0	0	0	166 480	–	201 129
Depreciation of the year	255 120	35 731	0	64 791	31 284	316 908	–	703 834
Balance as of 31 December, 2024	255 120	70 380	0	64 791	31 284	483 388	–	904 962
Book value as of December, 2023	2 107 000	238 988	0	0	0	531 977	398 160,00	3 276 126
Book value as of December, 2024	4 098 435	203 257	407 491	1 231 031	236 866	636 299	3 277 549,00	10 090 929
Economic life	20 years	8 years	N/A	5 years	5 years	3 years		

NOTE 6.

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

FINANCIAL REPORTING PRINCIPLES

The cost method is used when accounting for shares in subsidiaries and associated companies.

Investments have been accounted for based on the cost of purchase of the shares, unless there are impairment indicators.

Impairment to fair value is recognised when the decline in value is not expected to be temporary. The impairment will be reversed when the basis for impairment stop existing.

SUBSIDIARIES

Company	Location	Country	Ownership	Acquisition cost	Book value 31.12.
Liquiline AS	Stord	Norway	100 %	2 518 287	-
Stord Hydrogen AS	Stord	Norway	75 %	7 250 000	-
Meraker Hydrogen AS	Meråker	Norway	52 %	9 578 650	9 578 650
HyFuel AS	Florø	Norway	51 %	16 515 000	16 515 000
Tellenes Hydrogen AS	Egersund	Norway	50 %	2 500 001	2 500 001
Total				38 361 938	28 593 651

ASSOCIATED COMPANIES

Company	Location	Country	Ownership	Acquisition cost	Book value 31.12.
Kaupanes Hydrogen AS	Egersund	Norway	48 %	5 000 001	5 000 001
Applied Hydrogen AS	Kongsberg	Norway	38 %	150 292	150 292
Total				5 150 293	5 150 293

The shares in the subsidiary Stord Hydrogen AS and Liquiline AS has been impaired to a carrying amount of NOK 0 as of 31.12.2024, based on an assessment of lack of expected future profitability.

NOTE 7.

RELATED PARTY AND INTERCOMPANY TRANSACTIONS

FINANCIAL REPORTING PRINCIPLES

Sales and purchase transactions with related parties are in accordance with the Norwegian Companies Act.§ 3–9, carried out based on arms-length terms.

Company		Share
Liquiline AS	Subsidiary	100 %
Stord Hydrogen AS	Subsidiary	75 %
Meraker Hydrogen AS	Subsidiary	52 %
HyFuel AS	Subsidiary	51 %
Tellenes Hydrogen AS	Subsidiary	50 %
Kaupanes Hydrogen AS	Associated company	48 %
Applied Hydrogen AS	Associated company	38 %

Income Statement <i>(Amounts in NOK)</i>		2024	2023
SALES TRANSACTIONS			
	Liquiline AS	26 100	998 941
	Stord Hydrogen AS	7 244 536	7 681 838
	Meraker Hydrogen AS	2 022 425	–
	HyFuel AS	4 510 425	–
	Tellenes Hydrogen AS	1 487 576	–
	Kaupanes Hydrogen AS	11 468 098	–
	Applied Hydrogen AS	–	–
	Dalane Hydrogen AS	19 726	43 200
PURCHASE TRANSACTIONS			
	Liquiline AS	–	–
	Stord Hydrogen AS	487 602	682 126
	Dalane Hydrogen AS	–	–
	Kaupanes Hydrogen AS	149 213	

NOTE 7.

RELATED PARTY AND INTERCOMPANY TRANSACTIONS

CONT.

The balance includes the following amounts resulting from transactions with affiliated companies:

Balance Sheet as of 31 December		2024	2023
Account Receivable	Liquiline AS	0	1 248 676
Account Receivable	Stord Hydrogen AS	0	1 819 018
Account Receivable	Meraker Hydrogen AS	28 031	–
Account Receivable	HyFuel AS	13 031	–
Account Receivable	Dalane Hydrogen AS	0	54 000
Account Receivable	Tellenes Hydrogen AS	92 468	–
Account Receivable	Kaupanes Hydrogen AS	4 774 909	–
Account Payable	Liquiline AS	0	–
Account Payable	Stord Hydrogen AS	94 001	169 437
Account Payable	HyFuel AS	0	–
Account Payable	Dalane Hydrogen AS	0	–
Account Payable	Tellenes Hydrogen AS	0	–
Account Payable	Kaupanes Hydrogen AS	149 213	–
Loan to Applied Hydrogen AS		3 379 708	

Account receivables against Liquiline AS and Stord Hydrogen AS has been impaired to NOK 0, per 31.12.2024, due to lack of long-term solvency.

NOTE 8.

RESTRICTED CASH

Amounts in NOK	2024	2023
Restricted cash for employee tax payables	1 396 352	828 885

NOTE 9.

EQUITY

Amounts in NOK	Share Capital	Share Premium	Other paid-in capital	Other equity	Total equity
31.12.2023	11 333 390	38 733 684	–	-20 499 078	29 567 996
Profit/(loss) for the year	–	-38 634 668	–	–	-38 634 668
Capital increase	2 266 610	27 732 640	–	–	29 999 250
31.12.2024	13 600 000	27 831 656	–	-20 499 078	20 932 578

NOTE 10.

SHAREHOLDERS

The share capital consists of:

	Number of shares	Face value	Book value
Ordinary shares	80 000	170	13 600 000

OWNERSHIP STRUCTURE

The largest shareholders as of December 31st, in percentage, were:

	Number of shares	Ownership	Voting rights
Sunnhordland Kraftlag AS	36 000	45 %	45 %
Tatomi Invest AS	10 236	13 %	13 %
Dalane Energi AS	8 000	10 %	10 %
Tebina Energi AS	6 802	9 %	9 %
Årmann Green Invest AS	6 252	8 %	8 %
TH2 Invest AS	3 240	4 %	4 %
K-Marine AS	2 400	3 %	3 %
Øyre Invest AS	1 800	2 %	2 %
Horneland Invest AS	1 800	2 %	2 %
Hydrogenium AS	1 700	2 %	2 %
Gåsbekken AS	600	1 %	1 %
Other	1 170	1 %	1 %
Total	80 000	100 %	100 %

NOTE 11.

OTHER LONG-TERM LIABILITIES AND GUARANTEES

NOTE 12.

GOING CONCERN

Long-term debt maturing more than five years after the end of the fiscal year:

Amounts in NOK	2024	2023
Other long-term debt	1 218 750	0

The company has issued a bank guarantee of NOK 2.2 million in relation to the Kaupanes project.

The company has the following pledged assets in relation to a revolving credit facility of NOK 10 million: inventory NOK 10 million, accounts receivables NOK 10 million and operational assets NOK 10 million.

As the company does not generate sufficient income to execute the business plan, there will be need for further funding in 2025. The company raised NOK 30 million in capital in 2024 from both existing and new shareholders. In addition, the company received convertible loans of NOK 46 million from existing share holders with the intention of converting to equity. Furthermore, the company has developed dialouges with new external investors for further funding. The board confirms that the financial statements have been prepared based on the going concern assumption.



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