nysnø
Climate Investments

Annual Report 2019

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Nysnø invests in profitable
climate technologies
to reduce emissions and
accelerate the green transition.

Capital pathways

Statement from the CEO

The combination of unique competitive advantages and an increasing global need for climate solutions can enable international success for Norwegian green businesses.

2019 was the first operating year for Nysnø Climate Investments (Nysnø) with new allocations through the Norwegian State Budget. Nysnø now manages NOK 1.4 billion. Nysnø invests in companies and funds that help reduce greenhouse gas (GHG) emissions globally. 2019 has shown us that innovative companies with climate technology are ready to grow and help the global climate. Nysnø contributes with venture capital so that companies can scale-up and reach larger markets. The Paris Agreement emphasises that finance must be mobilised to solve the climate crisis, and visible effects of climate change warn us that solutions are urgently needed.

Reaching new markets
Companies with climate solutions need more customers and more venture capital to grow into new markets. Norway has many competitive advantages in the green transition, but on the other hand we have a small domestic market and not enough venture capital compared to other countries. Our investment strategy aims to help companies overcome these barriers, and use Norway's competitive advantages to create growth companies that contribute to reduced greenhouse gas emissions.

Nysnø also aims to steer the flow of capital towards the climate goals and sustainable development goals. We do this by always investing alongside private capital and attracting international co-investors to Norway. Of our four direct investments, three have attracted international co-investors, such as American Energy Impact Partners (EIP), German Innogy and Dutch ABN AMRO Energy Transition Fund. International co-investors and funds have an important international network, and together we can build capital pathways to the rest of the world.

Norway's green competitive advantage
Global markets will demand better climate solutions, and Norwegian technology has a lot to offer. While Norway's limited domestic market can make commercialisation and growth more difficult than for companies located in the heart of Europe, Norway essentially has a portfolio of green competitive advantages as Europe develops a climate-neutral continent. We have renewable energy, unique maritime expertise, and a digitised and knowledgeable society with a high degree of trust. As Europe and the world moves towards a low-emission society, we will need more clean energy, clean hydrogen, aluminium, data storage power, carbon capture and storage, and sustainable marine proteins. Within all these areas, Norway has developed the technologies, companies, and systems to deliver solutions.

In 2019, many of our portfolio companies have taken important steps into new markets. An example is solar company Otovo that in March 2019 acquired the French company In Sun We Trust. This will be a solid starting point for growth in the French market. In 2019 they also established themselves in Spain, while continuing to grow in the Nordic countries.

Another example is eSmart Systems, which develops solutions based on artificial intelligence and machine learning for automatic detection of components and faults in the power grid. In 2019, they took important steps internationally by establishing a solid sales organization in the United States and securing several international investors who co-invested with Nysnø. The result was important contracts with US utilities for innovative monitoring and control of the power grid.

Nysnø invests together with private investors to build capital pathways and support growth into new markets.

Photo: Elisabeth Tønnessen

New investments offer new opportunities

In 2019, Nysnø invested in the companies Disruptive Technologies and NorSun, as well as the Sarsia Seed II and ArcTern Ventures Fund II funds. Disruptive Technologies builds on world-leading competence from several successful Norwegian growth companies, and has developed one of the world's smallest and durable sensors.

From a strong industrial environment in Årdal, NorSun produces silicon wafers for solar cells. Norway is not exactly sunny, yet we find world-leading solar energy companies. NorSun achieves international competitiveness with access to renewable energy and world-leading R&D in materials technology. Asia produces most of the of solar cells and modules, making NorSun a unique and European solar company which exports to a growing global market.

Through our fund investments access to venture capital for climate technologies is multiplied. When Nysnø invests in funds, the capital is complemented by other co-investors in the capitalisation of the fund itself. Futher capital will be mobilised when the fund makes its direct investments together with other co-investors.

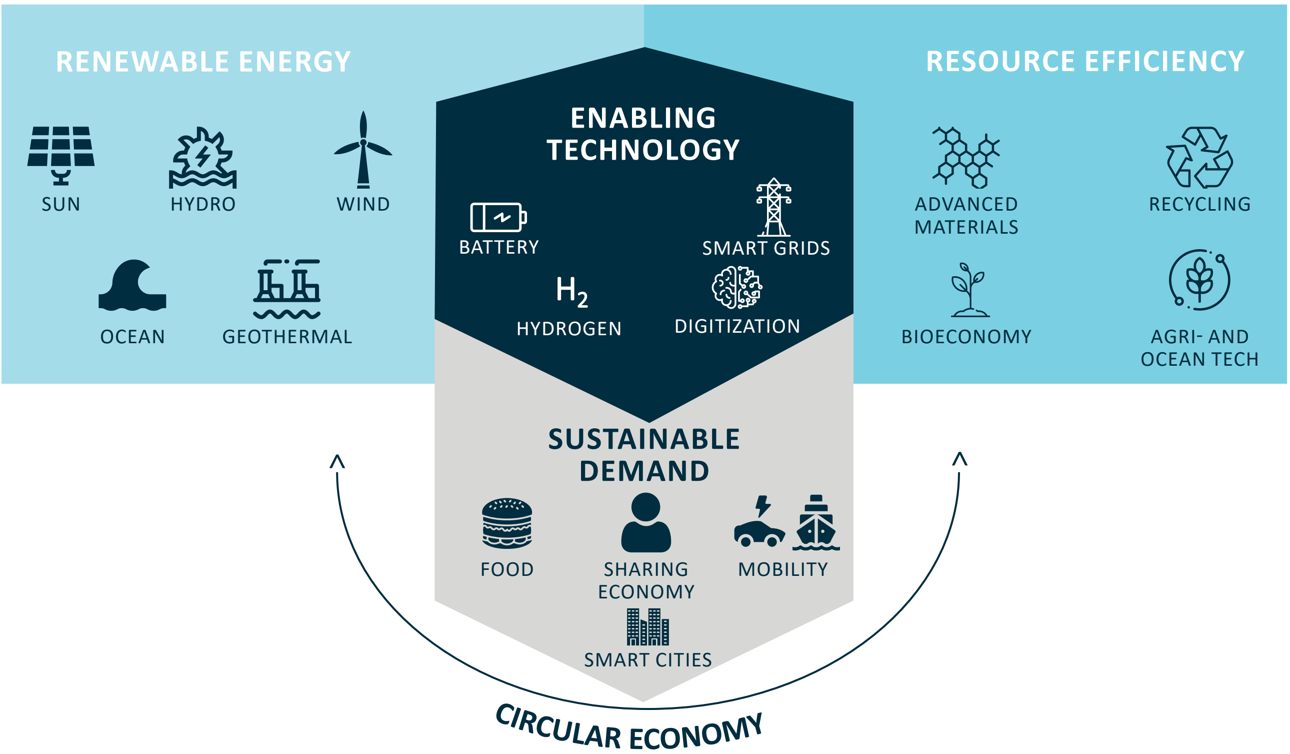
By making new investments, following up and developing our portfolio, Nysnø will mobilise even more climate capital as we head into a new decade.

Siri M. Kalvig

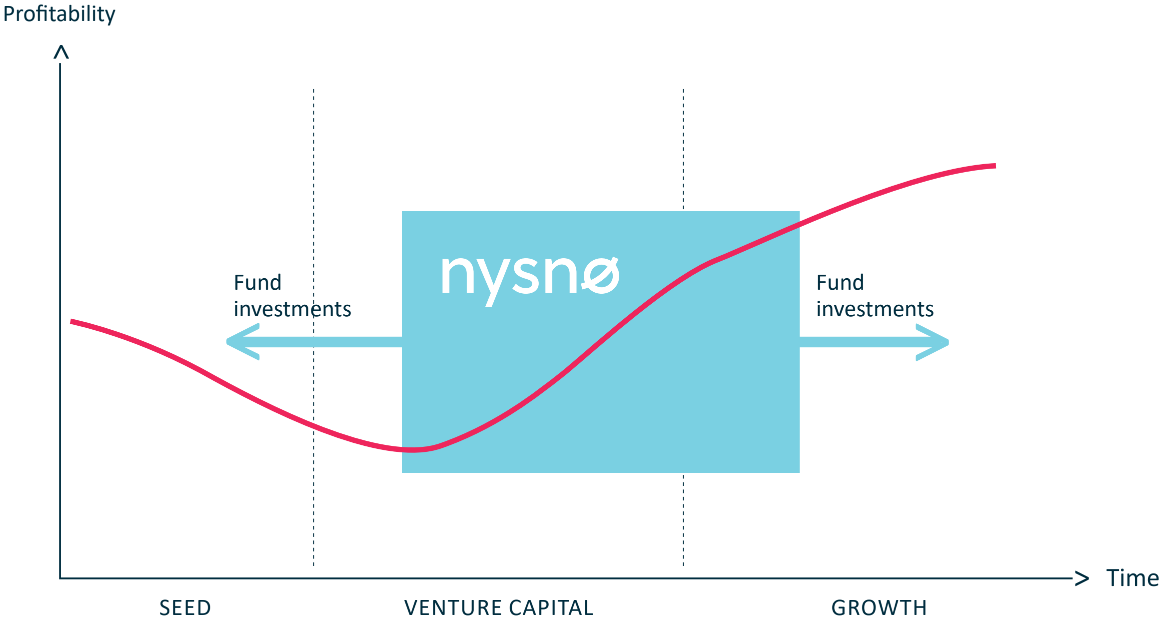
CEO

Portfolio

Investment Universe



Investment Focus



Portfolio Companies

COMPANY	OTOVO www.otovo.no	eSmart SYSTEMS www.esmartsystems.com
SECTOR	Solar energy	Smart grids
DESCRIPTION	OTOVO enables homeowners to get tailormade, instant quotes for rooftop mounted solar panels, while hosting a marketplace with hundreds of installer companies who algorithmically bid for the projects generated.	eSmart Systems' intelligent analytics platform captures, analyzes, visualizes and converts real-time operational data into actionable insights to enable next-generation operational performance.
MARKETS MAIN OFFICE	Oslo, Norway	Halden, Norway
CLIMATE IMPACT	Global production of solar energy had increased from 1 GW in 2000 to over 300 GW in 2017[1]. By 2050 an estimated 7 % of the worlds energy demand can be covered by rooftop solar[2].	More renewable energy will need increased utilization and flexibility from the power grid. Smart grids increase the transition and access to renewable energy[3]. Smart grids also directly impact energy demand and CO2-emissions[4].
SDG IMPACT	7, 8, 12, 13	7, 9, 11, 13
FIRST INVESTMENT	October **2018**	December **2018**
INVESTMENT OWNERSHIP	NOKm **49** 9,55 %	NOKm **40** 8,16 %
LARGER CO-INVESTORS	• Axel Johnson • KLP • Agder Energy Venture • Akershus Energi • OBOS	• Innogy Ventures • Energy Impact Partners • Equinor Energy Ventures • Kongsberg Digital

1) IRENA Cost and competitiveness indicators: Rooftop solar PV
2) Drawdown.org
3) IEA Technology Roadmap Smart Grids
4) U.S. Department of Energy, The Smart Grid: An Estimation of the Energy and CO2 Benefits

Portfolio Companies

COMPANY	DISRUPTIVE TECHNOLOGIES www.disruptive-technologies.com	NorSun www.norsuncorp.no
SECTOR	Energy efficiency	Solar power
DESCRIPTION	Disruptive Technologies develops miniature sensors, the size of a post stamp. These sensors have a 15-year battery life and numerous application areas that can contribute to the reduction of greenhouse gas emissions.	NorSun is a Norwegian solar energy company that manufactures and markets high performance mono-crystalline silicon ingots and wafers for the global solar energy industry. Dedicated to high efficiency n-type wafers, NorSun is an established supplier to tier-one cell manufacturers.
MARKETS MAIN OFFICE	Oslo, Norway	Oslo, Norway
CLIMATE IMPACT	Sensors can be used to increase resource efficiency in both energy use and physical value chains[5]. Large-scale use of sensors in commercial buildings to control light show reduced energy demand by 30–50 %[6].	Both rooftop and larger scale solar energy is expected to cover a significant part of global energy demand by 2050[7]. IEA expects that solar energy will stand for 60 % of renewable energy increases of 1200 GW in the next five years[8].
SDG IMPACT	7, 9, 11, 13	7, 12, 13
FIRST INVESTMENT	March **2019**	June **2019**
INVESTMENT OWNERSHIP	NOKm **20** 2,29 %	NOKm **81** 18,54 %
LARGER CO-INVESTORS	• Ferd • TD Veen • Ubon Partners • Norselab	• ABN Amro Energy Transition Fund • Scatec • Arendals Fossekompani

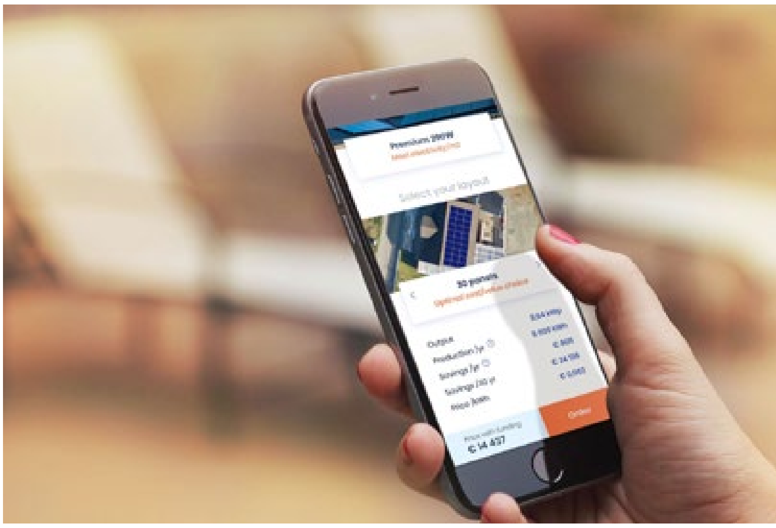
5) IEA Energy Efficiency and Digitalisation, 20 June 2019
6) Energy and Buildings Volume 158 1 January 2018, Pages 43-53: Potential energy savings from high-resolution sensor controls for LED lighting
7) Drawdown.org
8) IEA Solar Fuels & Technologies 2019

Portfolio Funds

COMPANY	www.sarsiaseed.com	www.arcternventures.com
SECTOR	Energy and health technology	Climate technology
DESCRIPTION	Sarsia Seed Fond II is an early stage technology fund targeting investments in Clean Tech and Life Sciences primarily in Norway.	ArcTern Ventures Fund II is a fund that invests in venture stage cleantech companies with innovations that substantially reduce greenhouse gas emissions and address sustainability issues.
MARKETS MAIN OFFICE	Bergen, Norway	Toronto, Canada
CLIMATE IMPACT	The investments focus is technologies and businesses that create value through sustainability. The fund invests in companies within clean energy technologies and health.	The invesments focus covers technologies within renewable energy, energy storage, mobility, advanced materials, resource efficiency, food and agriculture technologies, offshore wind and new material techno-logies.
SDG IMPACT		
FIRST INVESTMENT	April **2019**	December **2019**
INVESTMENT OWNERSHIP	NOKm **45** 11,5 %	NOKm **140** 10 %
LARGER CO-INVESTORS	• KLP • Meteva • Trond Mohn stiftelse • Bergen Kommunale Pensjonskasse • Sparebanken Vest	• Equinor • Business Development Bank Canada • OMERS • Suncor Energy • TD Bank

Portfolio development

The development in our portfolio has been good throughout the year. Due to a capital raise in November, our investment in Otovo was revalued by NOK 18.8 million, with a corresponding positive contribution to Nysnø's operating result.



Digital solutions make it easy to monitor power production. Photo: Otovo Solar

Otovo Solar AS

Otovo Solar AS offers roof-mounted solar panels through automated offers from hundreds of installers. In October 2018, Nysnø invested in a capitalisation round of 100 million to secure growth in new markets internationally.

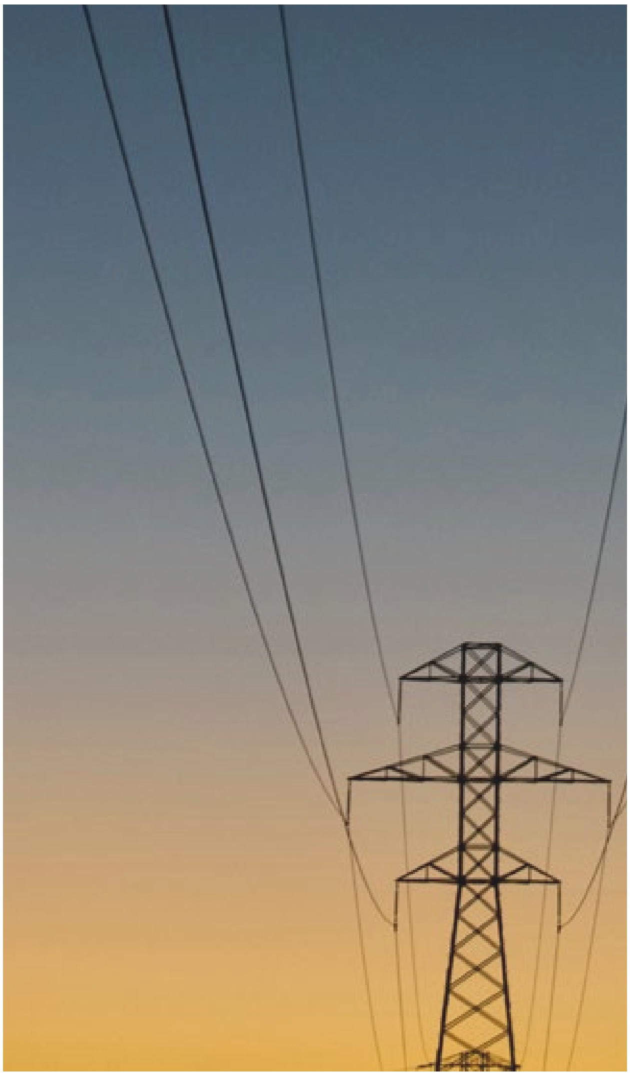
2019 was a year of continued high growth for Otovo with expansion into new markets in France and Spain, in addition to strengthening its market position in Sweden and Norway. At the beginning of the year, Otovo acquired the company In Sun We Trust, an innovative digital solar cell platform with a strong position in the French market. In 2019, Otovo also started its operations in Spain, where changing regulations raised interest in solar cells in the residential market.

In November 2019, Otovo raised an additional NOK 150 million in new capital from both existing and new shareholders to finance further growth, in which Nysnø also participated. The investment round was led by the Swedish trading company Axel Johnson.

In november 2019 Otovo raised additional NOK 150 million in new capital from existing and new shareholders to finance further growth.

eSmart develops solutions to ensure optimal monitoring and operation of the power grid.
Photo: Trond-Atle Bokerød, Nordic Media Lab

eSmart Systems AS



In December 2018 Nysnø invested in eSmart Systems, which develops artificial intelligence and machine learning solutions for a variety of applications, including automatic component detection and associated power grid failures. For customers, eSmart increases information access, reduces operating costs, reduces errors, and extends the life of the network.

Nysnø invested in a capitalisation round totalling NOK 300 million, increasing the company's development capacity and strengthening the opportunities to scale their business operations internationally.

Throughout 2019, eSmart continued to develop smarter solutions for the energy industry based on artificial intelligence. eSmart has entered into new strategic collaborations and focused on selected markets, upscaling strategy and organization. At the end of 2019, the company entered into a new strategic collaboration with several market participants, including Xcel Energy and EDM International. Here, the company will use its technology to monitor and inspect over 35 000 kilometres of power grid in the United States.

The NorSun facility in Årdal produces monocrystalline wafers for the global solar-cell industry. Photo: NorSun

Disruptive Technologies AS

In March 2019, Nysnø invested in the technology compa-ny Disruptive Technologies. The company manufactures wireless sensors the size of a stamp, with a battery life of 15 years. The sensors are easily mounted on many different surfaces and automatically deliver data through a cloud solution. This data is analysed and made available to customers through an analysis tool. The technology has great potential globally and countless applications in energy efficiency, resource utilisation and infrastructure development for future energy systems.

Nysnø, Ferd and TD Veen led a capitalisation round of NOK 85 million in Disruptive Technologies, investing alongsi-de existing shareholders such as Frøysli, Ubon Partners, Firda and Norselab to enable the company to exploit the increased demand for its products, as well as facilitating international expansion.

Disruptive Technologies has developed one of the worlds smallest sensors with a battery life of 15 years.
Foto: Disruptive Technologies

NorSun AS

In June 2019, Nysnø invested in NorSun AS, a leading Norwegian manufacturer of monocrystalline wafers for ultra-high-efficiency solar cells. NorSun manufactures solar cell wafers at its production facility in Årdal, and it is the largest international manufacturer outside China. The company has acquired a unique position by combi-ning Norwegian competitive advantages with continuous technology improvements. The production is energy in-tensive, and the use of clean Norwegian electricity means lower CO2 emissions per produced wafer compared to competitors.

Purchasing schemes in several markets emphasise low carbon footprint and private customers are increasingly concerned with climate-friendly solutions. NorSun's low carbon footprint gives them a clear competitive advan-tage. In addition, NorSun delivers high-quality products that are specialized for the most efficient solar cells in the market. The company was quick to adopt new technology to reduce waste, recycle raw materials and use the nearby Årdalsvatnet for natural cooling.

Nysnø and ABN AMRO's Energy Transition Fund led the capitalisation round together with existing investors Scatec and Arendal Fossekompani that totalled NOK 230 million. The issue was followed by a further NOK 285 milli-on in loans and grants from Enova and Innovation Norway. A total of NOK 515 million was obtained to double annual production capacity from 450 MW to 1000 MW.

Sarsia Seed Fond II

In April 2019, Nysnø invested in the fund in Sarsia Seed Fond II AS (SSFII). The fund invests in early-stage companies with international growth potential. The fund's focus areas are clean energy technology and health technology. The fund manages total capital of NOK 430 million, and at the end of 2019 it had invested NOK 51 million in 8 companies.

Since Sarsia Seed invests at an earlier stage than Nysnø normally does, this fund investment provides a diversification towards eearlier technology developments and an efficient way of boosting companies that may become relevant as direct investments as they evolve. At the same time, Nysnø has access to an environment with a high level of expertise in early-stage investments that has a well developed network for finding exciting companies to invest in.

Sarsia Seed participates in several advisory committees at the Research Council and has regular contact with TTOs at universities, colleges, and research institutes, as well as entrepreneurs. This provides a broad overview of relevant investment opportunities and a good basis for evaluating the companies.

Nysnø invests in funds to secure capital for climate solutions at earlier and later stages.

ArcTern Ventures Fund II

In December, Nysnø invested in the Canadian venture fund ArcTern Ventures Fund II, which has a total fund size of approximately 200 million Canadian dollars (around NOK 1.4 billion). Other investors in the fund are Investissement Québec, Venture Capital Catalyst Initiative (VCCI), OMERS, TD Bank Group, Suncor Energy, BDC and Equinor.

ArcTern Ventures is a global investor that invests in innovative technology companies with significant potential to reduce greenhouse gas emissions and solve the sustainability challenges. The fund specializes in technology within the fields of clean energy, energy storage, mobility, agricultural and food technology, new materials, and resource efficiency. ArcTern has previously focused on companies in North America and is now investing in Europe and establishing its European headquarters in Norway.

Through the investment in ArcTern, Nysnø obtains crucial access to international markets where Norwegian companies will compete. This gives us an even clearer basis for analysing companies and building closer networks with international co-investors. The establishment of an international manager in Norway with experience and expertise in climate investments also strengthens the Norwegian ecosystem by increasing the competence and capital inflow, and can help build international bridges for Norwegian companies with climate and energy technology.

Starting with sustainability

Nysnø aims to deliver the highest possible return over time by investing in companies and funds that build a low-emission society for the future. At the same time, sustainability is more than reduced greenhouse gas emissions. Nysnø will ensure that its investment activities are carried out with due regard for human rights, workers' rights, equality and non-discrimination, social conditions, the environment, and anti-corruption.

Sustainability Framework

The framework for Nysnø's work on sustainability is our Environmental, Social and Governance (ESG) Policy where we describe how Nysnø addresses sustainability through its investment activities.

Key points are:

- ESG assessments should be included in the analysis of the individual company or fund.
- Companies and funds must actively engage with ESG issues, and this should be on the Boardd of Director's agenda.
- As an owner, Nysnø will actively consider ESG issues and help companies and funds to further develop their ESG work.

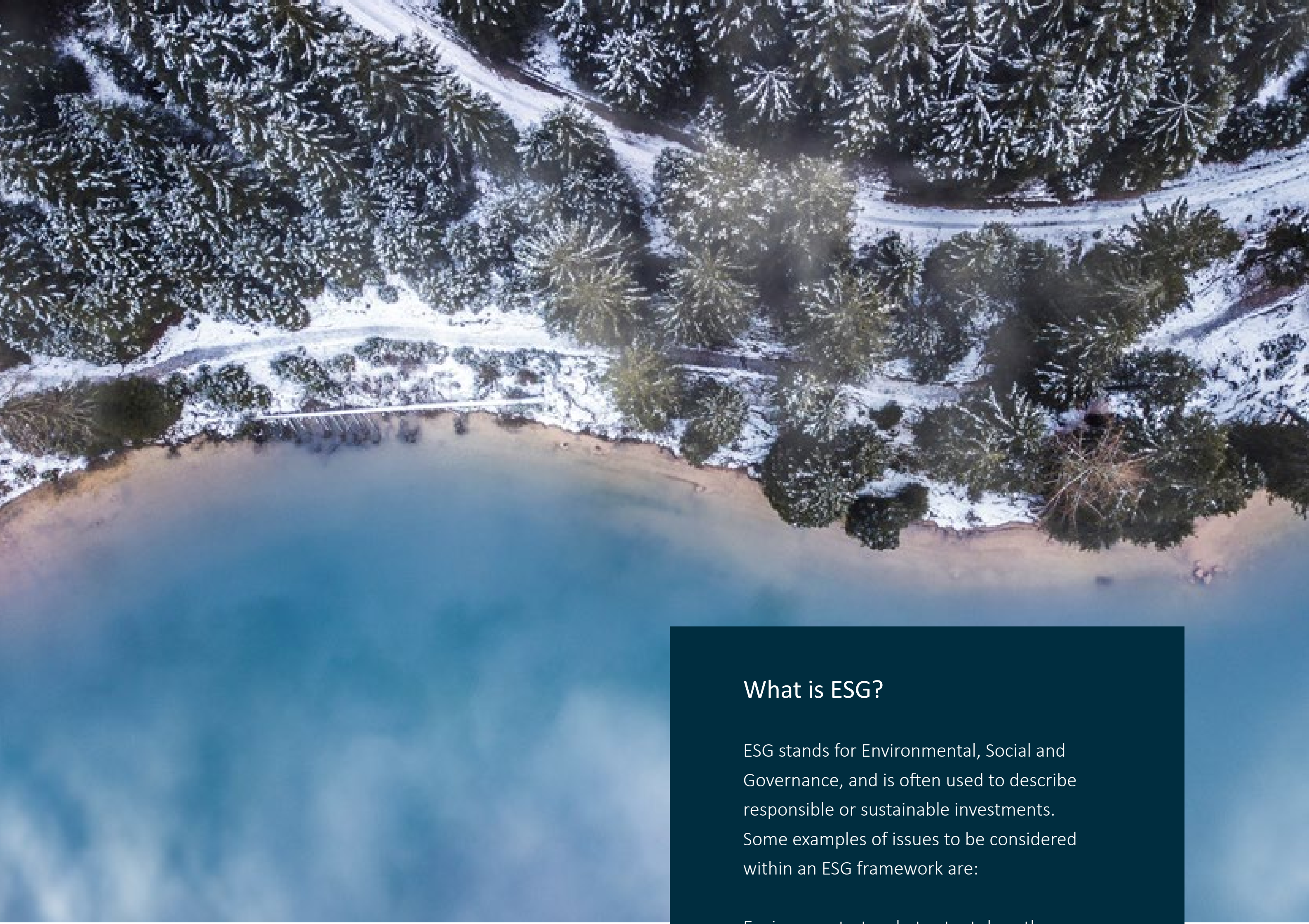
When assessing potential investments, Nysnø conducts due diligence related to technical, commercial, legal, financial and ESG matters. A key requirement is that the company contributes directly or indirectly to reduced greenhouse gas emissions. Our ESG expectations are further anchored in the contractual framework for the investment and are followed up through board work and/or dialogue with the company and other shareholders.

Nysnø's investment mandate entails that our direct investments are aimed at companies in the transition from technology development to commercialisation. This phase is characterized by growth, where technology can be further developed, new customer groups reached, and the company can enter new markets. Estimating reduced greenhouse gas emissions at the point of investment gives limited guidance for the company's potential to contribute to global greenhouse gas reductions. Nysnø therefore considers how the technology, service or product contributes to reduced greenhouse gas emissions as the company, the market, and the customer base grow. Nysnø also considers the potential for the company's technology, service, or product to be an enabler for other climate technologies, like energy storage to establish an increasingly electrified energy system. Another example is if the product or service shortens the route from customer to climate action, increasing the demand for sustainable and circular products.

Nysnø also identifies risks related to other ESG conditions. Nysnø considers which factors should be included in the risk assessment based on the company's operations, market and value chain. Such factors include emissions and pollution, working conditions and corruption risk. Risk is uncovered and clarified through preliminary research related to the investment, using external advisors and expertise where relevant.

An example is when Nysnø invested in NorSun. Together with an external consultant, carried out research related to emissions, the company's health, environment and safety routines at production facilities, the handling of shift work schedules for the employees and the origin of materials for the production of solar cell wafers. This research confirmed that the company has good routines in place for managing its ESG risks, and also provided an excellent opportunity to understand how the company works with ESG, as well as how they wish to develop further. These are examples of knowledge and understanding that is also included in Nysnø's exercise of ownership through the work of the board.

The companies Nysnø invests in are growing internationally, and such growth must be expected to bring new, potential ESG risks. The company Otovo has established its operations in new markets such as France, Spain, and Brazil in 2019 and 2020. In this context, it is crucial that the board, where Nysnø is represented, assess the risk of corruption in the relevant markets. For operations in countries with a known high risk of corruption, it is especi-



What is ESG?

ESG stands for Environmental, Social and Governance, and is often used to describe responsible or sustainable investments. Some examples of issues to be considered within an ESG framework are:

Environment - to what extent does the company contribute in a positive way to the environment? What is the risk for environmental damage is something goes wrong?

Social – do all employees have employment contracts that satisfy the law? Does the company have good HSE-routines? In the case of an accident, what is the risk to life and health for employees and surrounding community?

Governance - does the company have a competent Board of Directors? Does the company comply with rules for reporting and

ally important to carefully consider partners, connections, and business models. In addition, the board must set down compliance requirements before starting business operations.Our work with ESG is also relevant when Nysnø invests in funds. The basis for Nysnø's fund investments is always high confidence in the manager- not just confidence that the manager is able to generate good returns, but that this is done in a sustainable and responsible manner. Fund documentation and agreements are often extensive, and it is further crucial to ensure that the manager and the investment team are dedicated to climate and sustainability through their investment activities and operations. Nysnø expects the fund to have an ESG Policy and is a driving force for the fund to develop its ESG work. In addition, Nysnø undertakes a comprehensive assessment of corporate governance, including the organisation of the investment committee and investor involvement. Through its ownership, Nysnø follows up ESG conditions and sustainability through corporate reporting. Nysnø will continue to develop a framework for reporting and ensure that it is scalable as its portfolio expands. In 2019, Nysnø conducted an first assessment of climate risks in our portfolio. The assessment has been on the agenda of Nysnø's Board of Directors, and a short excerpt from this report is included on page 20.

What is PRI?

PRI is an global, independent framework for responsible investments that Nysnø signed in 2018. By becoming a signatory of the principles investors commit to the following:

1. Incorporate ESG issues into investments analysis and decision-making processes.
2. Be active owners and incorporate ESG issues into our ownership policies and practices.
3. Seek appropriate disclosure on ESG issues by the entities in which we invest.
4. Promote acceptance and implementation of the Principles within the investment industry.
5. Work together to enhance our effectiveness in implementing the Principles.
6. Report on our activities and progress towards implementing the Principles.

Principles of responsible investment (PRI)

To ensure that our approach to ESG is in line with best practice, Nysnø has signed the UN-supported Principles for Responsible Investment (PRI). PRI was established in 2005 and develops and promotes a global framework with six principles for responsible investment. PRI has nearly 3,000 members that together manage about USD 80 trillion. Anyone who has signed the PRI must report their activities annually, and they are assessed both against PRI's standards and on the basis of an expectation of continuous improvement in ESG work. PRI also facilitates cooperation between investors.

In 2019, Nysnø participated in the annual gathering for global investors, PRI in Person, and at a local gathering in Oslo for Norwegian investors. Climate reporting was high on PRI's agenda in 2019 and was the theme of the Norwegian gathering. PRI works towards standardised climate reporting to map out whether and how investors evaluate climate risk in their portfolio, and what effect their investments have on the climate.

Nysnø actively follows PRI's initiatives relating to climate investment and supports initiatives that are relevant to our investment mandate.

An example of this is PRI's call on the IEA International Energy Agency to prepare an energy scenario in their World Energy Outlook that is in line with the 1.5-degree climate goal. The World Energy Outlook forms the basis for many companies' strategy plans and choice of direction, and it is necessary that the analysis contains a development path that shows how the 1.5-degree goal may be achieved. In this way, companies can be guided to make decisions that promote this goal.

PRI's call is one of many initiatives that the investor community has had with the IEA, and we hope that it will help move the scenario work into an even more useful tool for promoting climate investments. We actively follow PRI's initiatives related to climate investments, and in 2020 we further wish to support initiatives that are relevant to our investment mandate.

The greenhouses in Jæren have developed more energy- and resource efficient vegetable production. Photo: Nysnø Klimainvesteringer

Green bank deposits

The allocations to Nysnø from the State budget is transferred as capital from the Norwegian Ministry of Trade, Industry and Fisheries at the general meeting. Until the capital is put to work through investments, it is managed at low risk, currently in bank deposits. In its roadmap for green competitiveness, the financial industry has outlined how the industry may help promote the flow of capital in a more climate-friendly direction. The polluter pays principle is key to achieving this. In banks, this means that loans given to businesses with a negative effect on the climate should be priced higher, while loans to climate-friendly businesses should be priced lower for the customer through lower interest rates.

In 2019, Nysnø chose to deposit parts of the allocated capital as green deposits into banks, so that banks can finance loans for green projects. The market for green deposits is in a starting phase, and Nysnø used the FixRate platform to place capital. FixRate established a pilot project to mobilise 50 banks on their platform to offer their deposit terms to Nysnø on the basis that the deposit would be lent out to green projects. To compare the offers, Nysnø and FixRate created specific criteria for assessing which loans can be considered green. The criteria are based on international Green Loan Principles. Nysnø received several offers from various banks, and placed deposits in Sandnes Sparebank, Statsbygd Sparebank and Sparebank1 Nordvest.

A vegetable producer in Jæren was one of the companies that had a green loan from Sandnes Sparebank, enabling the development of an environmental horticultural centre that uses CO2 from nearby industrial flue gases as nutrient for its plants, that captures and reuses fertilizer water, and that has greenhouses with energy-saving construction and biological pest control. In 2020, Nysnø would like to continue its work on green deposits and further mobilisation for banks to offer green deposits as a standard solution.

Sustainability at Nysnø

Ethical guidelines

Although Nysnø creates the greatest climate and sustainability impact through our investments, we must also ensure that ESG considerations are taken into account in our daily operations. We have ethical guidelines that form the basis for how our employees should behave and these include, among others, regulation of conflicts of interest, anti-corruption work, gender equality and anti-discrimination and notification rules. We also log incidents and conduct an annual internal control process, and a report from this is presented to the Board of Directors.

Daily operations

In daily operations we seek to minimise the consumption of office equipment and supplies, and we use recycled and eco-labelled goods, offer plant-based diets to employees and visitors and use video conferencing to reduce business travel. In 2019, Nysnø raised awareness on the overnight train service between Stavanger and Oslo as an alternative to flying. We look forward to seeing what new, innovative solutions Go-Ahead will launch over the coming year. Nysnø also wants to promote increased knowledge and awareness of ESG factors by being a contributor at various conferences, meetings, and events. In 2019, we held over 60 presentations at various events. The events are a great learning opportunity for us as we prepare and interact with the other speakers and participants. We hope it has also contributed to increased knowledge about climate investment and sustainability.

Diversity

As a small company, it becomes all the more important for employees to have complementary expertise, backgrounds and approaches to investing. Of our nine employees, three are women, and the management team consists of two women and two men. We have employees with four different nationalities, with backgrounds from nine different educational institutions within six disciplines and an age range from youngest to oldest of 20 years. Nysnø strives to achieve diversity among its employees, and one of our main goals is to increase the proportion of women among investment managers and analysts.

Driva Climate Investments Meeting

In 2019 Nysnø arranged the Driva Climate Investment Event. Driva is the first meeting place in Norway dedicated to capital and climate. We brought together technologists, academics, politicians and investors for knowledge sharing, inspiration and plenty of networking opportunities. The aim was to provide participants with insight into the climate challenges from different points of view from research, politics, literature, asset management, and to provide inspiration for how investors may contribute to solutions. At Driva, Nysnø implemented several measures to ensure sustainability at all levels, such as serving plant-based food from local suppliers, reducing disposable cups and cutlery, and focusing on reuse and solutions to avoid food waste. Driva was very well received by the participants and Nysnø will also arrange Driva in 2020.

Author Maja Lunde shared her thoughts and climate stories at Driva. Photo: Elisabeth Tønnessen

The guests at Driva were served plant-based food from local suppliers, served on compostable plates.
Photo: Elisabeth Tønnessen

Sustainability was on both the menu and agenda at Driva, with actions to reduce waste throughout the day.

Driva is a meeting place dedicated to climate and finance, and brings together investors, decision-makers, business leaders, academia and students.
Photo: Elisabeth Tønnessen

Mapping Climate Risk

In 2019 Nysnø has mapped climate risk in its portfolio companies, which increased our understanding of vulnerability in our portfolio and own operations. The government's expert committee, the Climate Risk Committee, emphasised that the world's understanding of climate risk is still being moulded, nd underlined the importance of more information, better reporting and increased knowledge to map and managing climate risk. Nysnø's mapping of climate risk is a first step towards a dialogue with the portfolio companies, where we analyse the consequences in detail and together outline measures to reduce financial climate risk.

Framework

The survey is based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). TCFD defines different types of financial climate risk: physical risk (acute and chronic), transitional risk (policy and regulation, technology, market, and reputation) and liability risk. Nysnø has mapped chronic and acute physical climate risk, in addition to transitional risk within politics and regulations.

We used publicly available databases to map acute and chronic physical climate risk. Physical climate risk can be calculated for several emission scenarios and time intervals. To refine this initial analysis, risk was assessed up to 2039 in a scenario with still high emissions (RCP 8.5). By choosing a relatively short time horizon, taking into account that the green transition does not accelarate enough, the survey and further analysis are based on:

- The impact of climate change that the world is already experiencing, which increases in scope, frequency and severity with sustained high emissions. Still, the mapping does not capture the most severe climate impacts that are expected to occur globally from 2040.
- Current energy and climate policy in Norway, the EU and globally, which is expected to increase in ambitions.
- 10 to 15-year period of an estimated strong growth for the portfolio company.

Physical climate risk

To map chronic and acute physical climate risk, data from the Climate Service Centre, the Norwegian Water Resources and Energy Directorate, the Norwegian Coastal Administration and the Environment Directorate is used. The database for countries and regions outside Norway is taken from the World Bank Group's tool Climate Change Knowledge Portal. Nysnø wants to expand the use of tools to map an increasingly complete picture of physical climate risk in Norway, the EU and globally.

The survey shows that all companies in the portfolio are exposed to climate risk to a greater or lesser extent. All companies in the portfolio may experience higher temperatures, more days with maximum temperatures and a higher probability of heat waves. This will trigger an increased cooling demand for all office buildings where portfolio companies are currently based. Some portfolio companies may also be able to increase their market shares in line with climate change. At the same time, the operation of the portfolio companies often depends on cloud-based data storage. Most data centres are already located in cooler areas, and a clear financial climate risk is that cooler areas experience the fastest and highest temperature rise compared to the global average.

Transition risk

Transition risk is defined as financial risk associated with the transition to a low-emission society. Our mapping includes risks from planned, adopted, and implemented energy and climate policies. Energy and climate policy in Norway, the EU and globally is continously updated and reviewed. Some examples are that Norway will reduce its emissions in both ETS and non-ETS sector by at least 40 percent by 2030. Another is that the EU will strengthen their climate policy towards 2030 and 2050. Under the Paris Agreement 2023, the UN will do a global sotcktake to asses the need for increased ambitions globally. Transitional risk associated with policies, regulations and frameworks is therefore constantly changing. Still, the general expectation is that it will be increasingly expensive to maintain economic activities that utilise fossil energy and generate negative environmental and climate effects. In summary, a simplified survey shows that climate risk can materialize, and this can pose both threats and opportunities for each of our portfolio companies. A review of the analysis together with the portfolio companies will make it possible to further evaluate these considerations and to describe measures to minimize threats and seize opportunities.

Corporate Governance

Statement of compliance with the "Norwegian Code of Practice for Corporate Governance" in Nysnø Klimainvesteringer AS

The management and Board of Directors of Nysnø Klimainvesteringer AS comply with the Ownership Notice (Meld. St. 8 2019-2020), Chapter 10.7, which declares that the State as owner expects that "The company complies with the Norwegian Code of Practice on Corporate Governance, where it is relevant and adapted to the company's operations".

Corporate governance

1. Statement of corporate governance
Nysnø is an investment company owned by the Norwegian state and organised as a corporation. Ownership is managed by the Norwegian Ministry of Trade, Industry and Fisheries. The company complies with Norwegian legislation and the state's ownership policy. Nysnø invests in companies that solve climate challenges in a smart and profitable way. This will provide the basis for new, climate-friendly business and technology development.

Nysnø's ambition is to be a leading force in the work with ESG in line with the state's expectations in the Ownership Report. ESG stands for Environmental, Social and Governance issues. Nysnø is also a signatory of the Principles for Responsible Investments (PRI), and aim to ensure that our investments and procedures for assessing and following up our portfolio are according to the PRI.

Ethical guidelines have been prepared by management and approved by the Board of Directors. The Code of Conduct applies to all employees in all contexts, also when acting on behalf of portfolio companies. The guidelines also apply to hired staff and hired consultants. Any breach of the Code of Conduct may result in internal disciplinary action and may have an impact on his or her employment or affiliation. Collaboration with hired personnel or consultants may be terminated if the ethical guidelines are not complied with.

2. Business operations
The company's purpose is to contribute directly and indirectly to reduced greenhouse gas emissions through investments in unlisted companies and funds. Investments will mainly focus on new technologies in the transition from technology development to commercialisation. The investment focus of the company should be companies in early stages. The company may make follow-up investments at later stages. The company shall invest in unlisted companies and or funds directed to unlisted companies, with operations in or out of Norway.

The company's investments must be made on a commercial basis. The investments must be made at the same time and on the same terms as private co-investors. The company's ownership interest in the individual investment shall not exceed 49 percent, with a minimum of 51 percent owned by individuals at the time of investment. In this context, companies wholly owned by the public sector are not considered private. The company does not have the opportunity to take up loans.

Nysnø invests exclusively in unlisted companies and funds. When valuing the portfolio where no market value is observed, Nysnø follows guidelines from the International Private Equity and Venture Capital Valuation Guidelines (IPEVC Valuation Guidelines). The purpose of the method is to estimate what the transaction price would have been if a sale had been completed on the balance sheet date.

Bjørn Munthe, Eivind E. Olsen og Frances Eaton at Nysnø. Photo: Carina Johansen.

As climate technology scales globally, our investments contribute to reduced greenhouse gas emissions.

The financial statements of Nysnø are presented in accordance with International Financial Reporting Standards (IFRS). Accounting principles are described in more detail in the notes to the accounts. The administration also reports quarterly to the Board of Directors on the company's profit development and balance sheet.

The financial statements are audited by an external auditor. The external auditor participates in one board meeting annualy where the results of the financial audit are reviewed. The company's Board of Directors has established a tax-policy that has been reviewed by the auditor.

The Board of Directors and Management conduct regular processes where the company's risks and measures are reviewed, the strategy is evaluated and where the goals and guidelines for the company are updated.

3. Company capital and dividends
Nysnø is financed annually over the Norwegian State Budget. In total, the company has received NOK 1.425 billion.

The company's liquidity is strong and is at NOK 486 million at the end of the year. Apart from operating costs, this will go towards new investments. Current liabilities amounted to NOK 6.8 million as at 31.12.2019. The company has no interest-bearing debt.The total capital for the company at the end of the year was NOK 717 million. The equity ratio was 99 percent.

Over time, Nysnø shall be profitable and provide positive returns to its owner. The company is bound by the state's dividend policy. As the company is at an early stage, dividend is currently not relevant. There is no board authorisation to raise capital in Nysnø.

4. Equal treatment of shareholders and transactions with related parties
Nysnø has one share class. The shares are owned by the Norwegian state and managed by the Norwegian Ministry of Trade, Industry and Fisheries.

In addition to the general meeting, Nysnø holds regular ownership meetings with the Ministry. This includes regular quarterly meetings as well as an annual review of the company's sustainability work.

All transactions with related parties must follow the arm's length principle. In the event of material transactions between Nysnø and related parties, the Board of Directors shall ensure that there is a valuation from an independent third party. The members of the board must at all times assess their eligibility in relation to the current rules.

5. Shares and negotiability
Due to the ownership, the NUES recommendation is considered not relevant to Nysnø on this point.

6. General meeting
The general meeting in Nysnø consists of the Norwegian state represented by the Norwegian Ministry of Trade, Industry and Fisheries. The Annual General Meeting is held

each year before the end of June. At the ordinary general meeting, the following issues shall be considered and decided:

1. Approval of the annual accounts and the annual report, including distribution of dividends.
2. Election of board members, as well as the chairman and deputy chairman of the board.
3. Determination of fees to the Board of Directors and the auditor.
4. Other matters which under the law or the articles of association fall under the general meeting.

Ordinary or extraordinary general meetings are held in Stavanger or Oslo.

7. Nomination committee
Nysnø's Board of Directors is elected by the general meeting as the company is unlisted and has the Norwegian state as sole owner.

8. The Board of Directors
The board has five members, two of whom are women. All board members are independent of both senior executives, significant business associates and the owner. Nysnø is wholly owned by the state and it is therefore not relevant for the board members to own shares in the company.

9. The Board of Directors
The Board of Directors has set instructions for the board and the CEO, including the division of responsibilities and tasks between them. The board considers the members' eligibility at the commencement of each board meeting.

In 2019, Nysnø had a risk and audit committee and a compensation committee, both consisting of one woman and one man. The Risk and Audit Committee dealt with the main risks associated with Nysnø's investment activities. The Compensation Committee prepares the board's guidelines for compensation to senior executives and the executive pay declaration. The committee also prepares and recommends proposals to the board for compensation to the CEO. The Committee moreover advises the CEO on compensation for senior executives and, if appropriate, others who report to the CEO.

10. Risk management and internal control
The board ensures that the company has a strong internal control and appropriate risk management systems in relation to the scope and nature of the company's operations. The board receives an annual internal control report from Nysnø mapping out the company's significant risks, measures, and any undesirable incidents. Internal control is carried out in accordance with the COSO framework and includes strategic, operational, financial and reputation risk. ESG risks as well as climate risks are included in internal control and risk assessments related to investment activities. Based on the report and the administration's review, the board assesses the company's risk level and management.

11. Remuneration to the Board of Directors
The board's fees are determined annually by the general meeting. The management fee is not performance dependent. No members of the board have any other duties toward Nysnø than their role in the board of directors and committees. An overview of board fees is presented in note 3 to the Annual Accounts.

Siri M. Kalvig and Eivind Egeland Olsen in Nysnø Climate Investments.
Photo: Elisabeth Tønnessen.

12. Remuneration to Senior Excecutives
The Board of Directors submits a statement on the determination of salaries and other remuneration to senior executives. The declaration is based on section 7 of the statutes and follows the Norwegian Public Limited Companies Act, Section 6-16 a and the state's guidelines for salaries and other remuneration to senior executives in enterprises and companies with state ownership. The executive pay declaration and guidelines for the salaries of senior executives are included in note 3 to the Annual Accounts and presented for consideration at the Annual General Meeting.

The Compensation Committee referred to in paragraph 9 is the preparatory body for the Board of Directors in matters related to compensation, including remuneration to senior executives. The management salary in Nysnø is determined, among other factors, on the basis of wage development in society in general and in comparable companies in particular. Total remuneration to senior executives consists of a fixed salary, bonuses, benefits in kind and pension and insurance schemes.

13. Information and communications
Nysnø practices transparency around its investments and publishes the portfolio at www.nysnoinvest.no. Key information such as annual reports and key governing documents are also made available. The Norwegian Ministry of Trade, Industry and Fisheries conducts meetings with Nysnø on a quarterly basis to monitor the state's ownership, and in this context Nysnø publishes quarterly reports on the website.

14. Takeovers
The board will help the owner obtain all relevant information in situations that affect the owner's interests. Nysnø is wholly owned by the Norwegian state and it is therefore considered unlikely that the company will be in a situation of takeover bids.

15. Accounting
Nysnø's accountant is Deloitte. The auditor is elected by the general meeting on the recommendation of the board. The auditor annually presents to the board the main features of a plan for carrying out the audit work.

The auditor participates in the board meeting which handles the annual accounts, and furthermore meets with the board without the administration present. The auditor reviews any weaknesses revealed by the internal control related to the accounting reporting process and suggestions for improvements. The company does not use the auditor for services other than auditing.

Annual Report

Nysnø Climate Investments AS (Nysnø) invests directly and through funds in companies that solve climate challenges in a smart and profitable way. The investments will contribute to the faster commercialisation of new, climate-friendly technology in Norwegian and global markets. As of 2019 Nysnø is a co-owner of four companies and two funds. Activity into 2020 is high and investment opportunities are good.

The climate challenge is global, and there is a clear shift towards climate investment in the global financial markets. Through its investment activities, Nysnø can build on Norway's competitive advantage and take part in opportunities for new, future-proof industries. Norway's many competitive advantages in a global green transition are renewable and adjustable power generation, solid environments in the industrial and maritime sectors, tradition in agriculture and aquaculture, and an electrified and digitized society with a high level of confidence and knowledge. Internationally, Norway is well regarded for its competent government asset management and its large climate commitment. Through Nysnø, competitiveness, expertise and climate solutions unite to help strengthen Norwegian companies during the green transition.

Throughout the year, Nysnø has had a close dialogue with companies, funds, and investor communities. At the same time, the company has systemised this contact and continued its investment strategy to build value and scalability. Analyses of over 400 companies and funds and good collaboration with co-investors have formed the basis for investments in the companies Disruptive Technologies, NorSun and the funds Sarsia Seed II and ArcTern Ventures II.

The board's opinion is that the unlisted companies that Nysnø invests in can offer excellent, climate-friendly solutions globally, and that the funds in which Nysnø is invested can create new investment opportunities. In addition to delivering returns, Nysnø will further develop cooperation between the public and private sectors, laying the foundations for future-oriented jobs in Norway and forming a foundation for a Norwegian ecosystem for climate investments through reinvestment of capital and expertise.

Nature of the business

Nysnø Klimainvesteringer AS is a Norwegian investment company.

The company is wholly owned by the Norwegian state and is placed in the state's ownership category 2. Category 2 comprises companies where the state has the aim of highest possible return over time combined with specific reasons for ownership. The purpose of the categorisation is to clarify the goals the state as owner sets in the individual companies. The state's reason for ownership in Nysnø is to contribute to reduced greenhouse gas emissions through profitable investments.

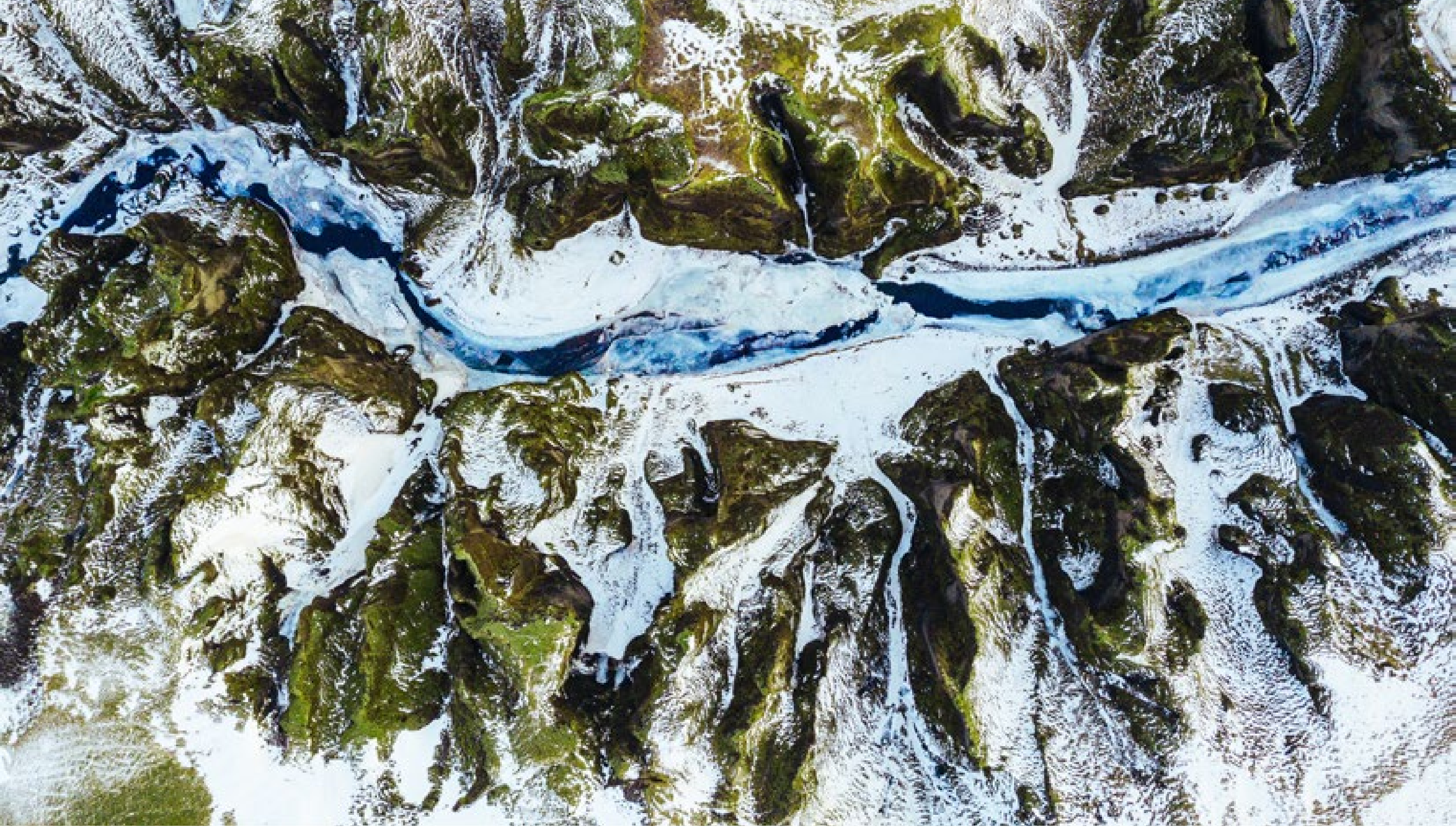
Nysnø's business address is in Stavanger.

In the Board's opinion, the annual accounts give a true and fair view of Nysnø's assets and liabilities, financial position and profit.

Goals and strategy

Nysnø will contribute to a healthy global climate by making profitable, long-term investments to accelerate the green transition. In addition, the company will be a catalyst for private investment, business development and technology development and raise awareness of greenhouse gas emissions and sustainability.

Nysnø has three strategic key objectives: profitable invest-



ments, reduction of greenhouse gas emissions and positive effects on society. Profitability is the most important quantifiable measurement parameter. The strategic key objectives define the company's investment universe and provide the framework for day-to-day operations.

In order to achieve these strategic goals, Nysnø has developed an investment strategy that ensures a systematic approach to the investment process, from identification of investment opportunities to ownership and disposal opportunities. Nysnø has also identified strategic ecosystems in Norway and abroad to ensure good access to investment and exit opportunities and to establish robust co-investor networks.

Market conditions

Nysnø has oriented itself in the market, surveying portfolio companies, co-investors, mutual funds, interest organizations and public players with adjacent mandates. The company has experienced high activity from all relevant market participants and there is great interest in cooperation with Nysnø.

Nysnø invests in companies that contribute toward solving climate challenges in a smart and profitable way. This provides the basis for new, climate-friendly business and technology development. The company invests in the transition from technology development to commercialisation. There is little experience related to green technology in early and growth phases for Norwegian companies with the ability to commercialise and grow internationally. Climate investments in the venture phase are both poorly analysed and underfunded. The board is of the opinion that in a short time Nysnø has taken an active and leading role in climate investments during the venture phase. Nysnø's investment mandate presents a high risk, but with a possible high return. Experience so far shows that there is a great need for a state-owned investment company like Nysnø.

Responsible investments

As a state-owned investment company and active owner, Nysnø has a special responsibility to ensure that the portfolio companies have incorporated good practices for sustainability, corporate social responsibility, and corporate governance (Environmental, Social and Governance (ESG).

In addition to financial returns, Nysnø has an important social duty in contributing to the reduction of greenhouse gas emissions and it has been entrusted with common resources to carry out this mission. Nysnø is very conscious that stringent requirements are set for credibility, respectful conduct, and a high ethical standard, both for the company itself, for the portfolio companies and partners. These standards are described in the company's governing documents through ethical guidelines and in the investment strategy.

The company's report on corporate social responsibility is included in the annual report, page 22.

Organization and work environment

As of 31.12.2019 there were nine employees in Nysnø. The company had an absence due to illness of 0.5 percent.

No serious work accidents or accidents have occurred during the year that have resulted in material or personal injury.

Nysnø strives for equal distribution between the genders in our organisation. The management of the company consists of two women and two men. In the company, the distribution is 66 percent men and 33 percent women as per 31.12.2019. The board consists of two women and three men. Nysnø strives to achieve diversity among its employees and has an aim to increase the proportion of women among investment managers and analysts. The company does not accept discrimination on the grounds of gender, colour, religion, nationality, age and physical or mental health.

The company is building up a compact, strong, and competent organisation. The investment team has solid financial and technical expertise and experience within Nysnø's investment mandate. Much emphasis is placed on a good working environment, and the company has succeeded in building an organisation with excellent business acumen, drive, and care in line with the company's core values.

Enviromental impact

One of Nysnø's tasks is to contribute to reducing greenhouse gas emissions through profitable investments. Through investments, Nysnø will contribute to significant positive climate impact, both directly and indirectly. Nysnø's own operations do not have a significant impact on the external environment but the company will have a certain environmental footprint as a result of necessary business travel and consumption of office supplies. There is also the environmental footprint in connection with the Driva Climate Investment Meeting which was held this year. Nysnø works systematically in its planning and execution of events to ensure sustainability and local suppliers, waste reduction and good waste management. Nysnø buys internationally approved quotas to compensate for its own climate footprint.

Future developments

Looking back on the company's first full year of operation, experience shows that there is a great need for a state-owned investment company with Nysnø's mandate and that the investment opportunities are good.

There is reason to believe that the need for an investor like Nysnø will increase as a result of the corona crisis. Business activity has been reduced and companies in several sectors are experiencing strained liquidity. The Norwegian goverment has implemented measures to alleviate the situation, but we still expect that activity, especially related to new sales, will be reduced in the short to medium term, also for Nysnø's portfolio companies.

Nysnø keeps a close dialogue with portfolio companies and co-investors to ensure that the challenges are handled in appropriately. At the same time, it is more important than ever to stimulate new, sustainable industry in Norway, both through own investments and by mobilizing Nysnø's national and international networks.

Portfolio

At the start of 2019, the company's portfolio consisted of shares in Otovo and eSmart Systems. Throughout the year, Nysnø invested in Disruptive Technologies, Norsun, Sarsia Seed II and ArcTern Ventures II.

Disruptive Technologies develops small sensors the size of a stamp. The sensors have 15 years' battery life and countless applications that can help reduce greenhouse gas emissions. Norsun is a world-leading manufacturer of monocrystalline wafers for high-efficiency solar cells. Sarsia Seed II is an early-stage fund aimed at companies that develop technology with a clear sustainability profile.

ArcTern Ventures II is a Canadian cleantech venture fund with a North American and European mandate. The breadth of this year's investments reflects the activity in climate technology and illustrates the opportunity for Nysnø to build a diversified portfolio. Fund investments moreover mobilise additional private capital and expertise in climate investments.

Nysnø has the following portfolio investments as of 31.12.2019 (amounts in thousands):

Investment	Sector	Share price
Otovo Solar	Solar energy	58 632
eSmart Systems	Smart grids	40 000
Disruptive Technologies	Energy efficiency	20 000
NorSun	Solar energy	81 420
Sarsia Seed II	Seed fund	11 937
ArcTern Ventures	Technology fund	-

In addition, Nysnø has committed to investing up to a total of NOK 45m in Sarsia Seed II and up to a total of CAD 20m in ArcTern Ventures II over a longer predefined investment period for the same funds.

Risk

Nysnø is exposed to several risk factors, which are briefly discussed below.

Interest and credit risk

The company is exposed to changes in interest rates. Nysnø has for some time had larger funds placed in bank deposits. The company has not fixed its interest rate. In this way, exposure is limited. In 2019, Nysnø did not use other interest rate instruments and thus was not exposed to credit risk. The Board deems that the company has a limited risk associated with the capital that is temporarily placed in bank deposits.

Currency risk

In 2019, Nysnø had no direct exposure in currencies other than NOK. Nysnø subscribed to CAD 20 million in ArcTern Ventures II on December 23. The first payment to the fund will be made in January 2020. The company continuously assesses whether currency hedging should be used.

Market risk

For unlisted investments where no market value is observable, Nysnø follows guidelines from the International Private Equity and Venture Capital Valuation Guidelines (IPEVC Valuation Guidelines). The purpose of the method is to estimate what the transaction price would have been if a sale had been completed on the balance sheet date. No new information has been disclosed on material matters that had occurred or were already available on the balance sheet date of 31 December 2019 and up to the board's review of the accounts on 2 April 2020.

Liquidity risk

Nysnø is financed annually over the Norwegian State Budget and always formulates its investment strategy to reflect these annual allocations. This greatly limits the company's liquidity risk and the board therefore deems this risk as low.

Risks associated with investment activities

Nysnø's mandate is to invest in unlisted companies and funds. The bulk of the investments will be in the venture phase. This is a segment that involves a high with each individual investment. There are opportunities for high returns, but also for significant losses. The company seeks to reduce this risk by diversifying its portfolio within its investment universe. Nysnø also seeks to actively reduce risk by developing solid specialist expertise within the mandate. Nysnø works closely with other market participants in both finance, research, and academia to strengthen the company's expertise.

Nysnø has built a robust organisation and an excellent network, and the company has, in the board's opinion, adequate ability to manage risk associated with its investments.

Description of the financial statements

Nysnø presents annual financial statements in accordance with International Financial Reporting Standards (IFRS) and fair value option is used when valuing the investment portfolio as per balance sheet date.

Fra øverst: Egil Herman Sjursen, Jannicke Hilland, Klaus Mohn, Katharina Ringen Asting og Widar Salbuvik.
Foto: Elisabeth Tønnessen

In 2019, four investments and two follow-up investments were made. Operating revenues during the year mainly stem from an appreciation of the value of the portfolio companies.

The salary of permanent employees is a major part of the operating costs. By 2018 there were six permanent employees in the company, and with an additional three employed in 2019, Nysnø has in 9 employees in total.

The company's operating profit was negative by NOK 10 million, which is normal for an investment company during the build-up phase. Net financial items amounted to NOK 7.6 million, which resulted in a profit after finance of NOK-2.3 million. The company has not been in a tax position in 2019.

An extraordinary general meeting was held on January 15, where Nysnø received NOK 400 million in new capital. In the Revised National Budget presented on May 14, Nysnø was awarded an additional NOK 100 million. By the end of 2019, the company had received a total of NOK 725 milli-on since its establishment. In January 2020, it received an additional NOK 700 million in new capital.

After the injection of capital, the majority of total assets has gone to the purchase of shares. The remaining capital is invested in the short term through a portfolio of bank deposits.

The company's liquidity is good, and its liquidity portfolio was NOK486 million at year-end. With the exception of operating costs, this will go to new investments. Short-term debt amounted to NOK 6.8 million as of 31.12.2019. The company has no interest-bearing debt, which is in accordance with the company's mandate.

The company's total capital at year-end was NOK 717 million. The equity ratio was 99 percent.

Corporate governance

The company accounts for Nysnø are presented in accordance with IFRS. Accounting principles are described in more detail in the notes to the accounts. Furthermore, the administration reports to the board on the company's profit development and balance sheet as a minimum on a quarterly basis.

The financial statements are audited by an external auditor. The external auditor attends one annual board meeting where the results of the financial audit are reviewed.

Nysnø complies with the Norwegian Code of Practice for Corporate Governance. The management and the board's account of complaince with these recommendations is included on page 22 of the Annual Report.

Based on the company's position and financial situation, and in accordance with the Norwegian Accounting Act, Section 3-3 it is confirmed that the assumptions for continued operation are used in the presentation of the annual accounts.

Since the end of the financial year, no circumstances have occurred that affect the assessment of the presented financial statements other than those mentioned in this report.

Annual result and allocations

In 2019, the company's profit after tax expense was NOK -2,327,584 which is proposed to be allocated of as follows:

Allocation	Beløp
Allocated to funds for unrealized profit	17 093 471
Transferred to uncovered loss	- 19 421 055
TOTAL	- 2 327 584

Stavanger April 2 2020

Widar Salbuvik
Chairman of the Board

Egil Hermann Sjursen

Klaus Mohn

Jannicke Hilland

Siri Margrethe Kalvig
CEO

Financial Statement 2019

PROFIT AND LOSS ACCOUNT / INCOME STATEMENT	NOTE	2019	2018
Operating revenue and operating expenses			
Unrealized change in value of financial investments	6	17 093 471	0
Other operating revenue	2	380 029	0
Total operating revenue		**17 473 500**	**0**
Operating expenses			
Personnel expenses	3	**-18 190 783**	**-8 238 292**
Depreciation of fixed assets and intangible assets	4	-302 402	-80 011
Other operating costs	3	-8 955 099	-3 976 925
Total operating expenses		**-27 448 284**	**-12 295 228**
OPERATING PROFIT/LOSS		-9 974 783	-12 295 228
Financial income and financial costs			
Other interest income		7 654 657	351 373
Other financial income		3 370	171
Other interest expense		-3 728	-174
Other financial expenses		-7 100	-11 361
Income from financial items	**13**	**7 647 199**	**340 009**
ORDINARY RESULT BEFORE TAXATION		**-2 327 584**	**-11 955 219**
Tax on ordinary income	12	**0**	0
NET INCOME		**-2 327 584**	**-11 955 219**
Extended result		**0**	**0**
TOTAL RESULT		**-2 327 584**	**-11 955 219**
Allocations			
Fund allocation for unrealised gains		17 093 471	**0**
Transferred to uncovered loss		-19 421 055	**-11 955 219**
Total transfers		**-2 327 584**	**-11 955 219**

Balance Sheet as per 31.12.2019

ASSETS	NOTE	31.12.2019	31.12.2018
Fixed assets			
Intangible assets			
Software and IT systems	4	407 000	520 000
Total intangible assets		**407 000**	**520 000**
Fixed assets			
Operating equipment, fixtures, etc. equipment	4	723 490	660 000
Total tangible fixed assets		**723 490**	**660 000**
Financial fixed assets			
Investments in subsidiaries	5	30 000	30 000
Investments in shares and shares	6, 16	229 082 910	85 314 077
Total financial fixed assets		**229 112 910**	**85 344 077**
TOTAL FIXED ASSETS		**230 243 400**	**86 524 077**
Current assets			
Receivables			
Other short-term receivables		1 085 317	522 773
Total receivables		**1 085 317**	**522 773**
Liquidity			
Bank deposits, cash		486 166 365	129 192 793
Total cash and cash equivalents		**486 166 365**	**129 192 793**
TOTAL CURRENT ASSETS		**487 251 683**	**129 715 566**
Total assets		**717 495 082**	**216 239 642**

Balance Sheet as per 31.12.2019

EQUITY AND LIABILITIES	NOTE	31.12.2019	31.12.2018
Equity			
Paid-in capital			
Share capital	10	385 000 000	110 000 000
Share premium		339 988 493	114 994 430
Total contributed equity		**724 988 493**	**224 994 430**
Earned equity			
Fund for unrealized gains		17 093 471	0
Uncovered loss		-31 376 274	-11 955 219
Total earned equity		**-14 282 802**	**-11 955 219**
TOTAL EQUITY	**16**	**710 705 690**	**213 039 211**
Debt			
Short-term debt			
Trade payables		1 901 676	648 064
Public taxes owed	8 ,16	1 441 138	1 778 692
Other current liabilities		3 446 578	773 675
Total current liabilities		**6 789 392**	**3 200 431**
TOTAL DEBT		**6 789 392**	**3 200 431**
TOTAL EQUITY AND LIABILITIES		**717 495 082**	**216 239 642**

Stavanger, 02.04.2020

Widar Salbuvik
Chairman of the board

Jannicke Hilland
Board member

Egil Hermann Sjursen
Board member

Klaus Mohn
Board member

Siri Margrethe Kalvig
CEO

Indirect cash flow

	NOTE	2019	2018
Cash flows from operating activities			
Profit before tax expense		-2 327 584	-11 955 219
Ordinary depreciation		302 402	80 011
Unrealized change in value of financial investments	6	-17 093 471	0
Change in trade payables		1 253 612	648 064
Change in government fees		-337 554	1 778 692
Change in other timing items		2 104 420	215 333
Net cash flow from operating activities		**-16 098 175**	**-9 233 119**
Cash flow from investment activities			
Payments on purchases of property, plant and equipment	4	-252 892	-1 260 011
Payments on purchases of shares and participations in other companies	6	-126 675 361	-85 314 077
Net cash flow from investing activities		**-126 928 253**	**-86 574 088**
Cash flows from financing activities			
Payments of equity		500 000 000	200 000 000
Net cash flow from financing activities		**500 000 000**	**200 000 000**
Net change in cash and cash equivalents		356 973 572	104 192 793
Cash and cash equivalents at the beginning of the period		129 192 793	25 000 000
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9	**486 166 365**	**129 192 793**

Statement of Changes in Equity

2018	SHARE CAPITAL	SHARE PREMIUM	FUND FOR UNREALIZED GAINS	UNCOVERED LOSSES	SUM EQUITY
Foundation (minus expenses)	10 000 000	14 994 430	0	0	24 994 430
Capital increase 21.11.18	100 000 000	100 000 000	0	0	200 000 000
Profit for the year 2018	0	0	0	-11 955 219	-11 955 219
Equity 31.12.2018	**110 000 000**	**114 994 430**	**0**	**-11 955 219**	**213 039 211**

2019	SHARE CAPITAL	SHARE PREMIUM	FUND FOR UNREALIZED GAINS	UNCOVERED LOSSES	SUM EQUITY
Equity 31.12.18	110 000 000	114 994 430	0	-11 955 219	213 039 211
Capital increase 15.01.19	220 000 000	180 000 000	0	0	400 000 000
Capital increase 28.08.19	55 000 000	44 994 062	0	0	99 994 062
Profit for the year 2019	0	0	17 093 471	-19 421 055	-2 327 584
Equity 31.12.19	**385 000 000**	**339 988 492**	**17 093 471**	**-31 376 274**	**710 705 690**

Notes to the Accounts 2019

Note 1 – Accounting principles

Nysnø Klimainvesteringer AS is a limited company registered in Norway. The company's head office is located in Strandkaien 6, 4005 Stavanger.

Nysnø Klimainvesteringer AS's company accounts for the financial year 2019 were adopted at the Board Meeting on April 2, 2020.

The company's operations are described in the Annual Report.

1.1 Basis for preparation of the annual accounts/financial statement

The financial statements have been prepared in accordance with International Accounting Standards (IFRS) adopted by the EU for the financial year commenced on or after 1 January 2019, as well as additional Norwegian information in accordance with requirements pursuant to the Norwegian Accounting Act as of 31.12.2019. Nysnø reports by IFRS on a voluntary basis in accordance with the state's ownership principles.

The company accounts are based on the principles of historical cost accounting, with the exception of the following accounting items:

- Investments in financial instruments, which in the statement of financial position are recognised at fair value. The accounting period's change in unrealized value changes – i.e. the difference between cost and fair value – is entered into the income statement as ordinary operating income / expense.
- Ref. point 1.2 regarding currency.
- The company accounts have been prepared according to uniform accounting principles for similar transactions and events under otherwise equal conditions.

1.2 Changes in accounting principles and note information

The following new and altered standards and interpretations have been implemented for the first time in 2019:

IFRS 16 – Leases

IFRS 16 was issued in January 2016 and replaces IAS 17 Leases, IFRIC 4 Determining whether an agreement contains a lease, SIC-15 Operational leases - incentives and SIC 27 Assessment of the content of transactions that have legal form as a lease.

IFRS 16 sets out principles for recognition, measurement, presentation, and information about leases. The standard requires that a lessee recognizes the assets and liabilities of most leases. At the time of commencement of a lease, the lessee shall recognise an obligation to incur rental payments and an asset representing the right to use this underlying asset during the lease term ("right of use"). The standard allows for several practical solutions related to recognition and initial use. A lessee must present interest costs for the lease obligation separately from the depreciation amount for the right of use.

The company implemented IFRS 16 as of 1 January 2019, using a modified retrospective method, and comparative figures have therefore not been reworked. The company has considered that leases entered into will not take effect until the financial year 2020. See mention in note 11.

Annual improvements 2015–2017 cycle (released in December 2017)
These improvements include:

IAS 12 Income Tax
The changes clarify that dividend income taxation to a greater extent linked to previous transactions or events that have produced profits that can be distributed, rather than actual distributions to owners. Thus, an enterprise will recognise the tax consequences of dividends in the results, other income and expenses or directly in equity depending on where the entity originally recognised the related transactions or events.

The changes are not applicable to the company.

1.3 Functional currency and presentation currency
Functional currency is determined by the currency within the primary economic environment in which the company operates business. Foreign currency transactions are translated into functional currency based on the current exchange rate of transaction. At the end of each reporting period, monetary items in foreign currency are translated to closing price, non-monetary items are measured at historical cost converted at the time of the transaction and non-monetary items in foreign currency measured at fair value are translated at the exchange rates prevailing at the time of calculation of real value. Exchange rate changes are recognized in the income statement as a financial item on an ongoing basis. The company's presentation currency is NOK.

1.4 Use of estimates, assumptions, and discretionary assessments
In relevant cases, the company's management uses estimates and assumptions in determining assets, liabilities, income, costs, and disclosure of potential liabilities. This is especially true of assessments of items such as deferred tax benefit and determination of fair value of financial instruments where there is no observable value market. Future events may cause the basis for such estimates to change. Estimates and the underlying assumptions are assessed on an ongoing basis. Changes in accounting estimates are recognised in the period in which the changes occur. If the changes also apply to future periods, the effect is distributed over the current and future periods.

In preparing the financial statements, the management has made some significant assessments based on critical judgment related to application of the accounting principles. The following notes cover the company's assessments of:

- Leases, note 11 (IFRS 16)
- Financial instruments, note 6 (IFRS 13)

1.5 Classification of assets and liabilities
The company distinguishes between current assets and fixed assets when presenting assets in the balance sheet. Correspondingly, the distinction is made between short-term and long-term obligations.

The company classifies an asset as a current asset when it:
- Expects to realise the asset or intends to sell or utilize it in the company's ordinary operating cycle
- Primarily holds the asset for turnover
- Expects to realise the asset within twelve months of the reporting period

or

- The asset is in the form of cash or a cash equivalent, unless the asset is subject to a restriction that prevents it from being exchanged or used to settle a commitment for at least twelve months after the reporting period.

All other assets are classified as fixed assets, including deferred tax assets.

The company classifies debt as current liabilities when the liability:
- Expected to be settled in the company's ordinary operating cycle
- Mainly held for trading
- Matures for settlement within twelve months of the reporting period

or

- The company does not have an unconditional right to postpone the settlement of the obligation for at least twelve months after the reporting period.

All other liabilities are classified as long-term debt, including deferred tax.

1.6 Income tax
Tax expense recorded in the income statement consists of tax payable, change in deferred tax and withholding tax paid to other tax jurisdictions, which is not required to be refunded. Deferred tax / tax benefit is calculated on all differences between the accounting and tax value of assets and liabilities with the exception of:
- initial recognition of goodwill
- initial recognition of an asset or liability in a transaction that
  - is not a business combination, and
  - which at the time of the transaction does not affect accounting profits or taxable income (fiscal deficit)
- temporary differences related to investments in subsidiaries or other companies where the company controls at what point the temporary differences will be reversed, and where this is not expected to occur in the foreseeable future.

Note 1 – Accounting princ. cont.

Deferred tax assets are recognised when it is probable that the company will have sufficient tax profits in later periods to utilize the tax benefit. The company recognises *previously non-recognised deferred tax assets* in the accounts to the extent that it has become probable that the company may utilise the deferred tax asset. Similarly, the company will reduce the deferred tax asset to the extent that the company no longer considers it likely to be able to benefit from the deferred tax asset.

Deferred tax and deferred tax assets are measured on the basis of tax rates (and tax rules) adopted – or mainly adopted by the end of the reporting period - related to the items where the temporary difference has occurred.

Deferred tax and deferred tax assets are recognised at nominal value and classified as intangible assets (fixed assets) or long-term liabilities in the statement of financial position.

Payable tax and deferred tax are recognised directly in equity to the extent that the tax items relate to equity transactions.

The company's operations are considered to be covered by the rules on financial taxation. This means that an additional tax of 5 percent will be charged to the employer's tax base. This tax is shown as salary cost in the income statement. In addition, corporate tax rate is 25 percent.

1.7 Software
Expenses related to the purchase of new software are capitalised as intangible assets if these expenses are not part of the acquisition cost of the hardware. Software is normally depreciated linearly over 5 years. Expenses incurred as a result of maintaining or supporting future use of software is recognised as expenses if the changes made to the software do not increases the future financial utility of the software.

1.8 Fixed assets
Tangible fixed assets are measured at cost, less accumulated depreciation, and write-downs. When assets are sold or disposed of, the carrying amount is deducted and any loss or gain is recognised in the income statement.

Acquisition cost for fixed assets is the purchase price, including charges / taxes and costs directly related to making the fixed asset ready for use. Expenses incurred after the asset has been utilised, such as ongoing maintenance, are recognised in the income statement, while other expenses expected to provide future economic benefits are capitalised.

Depreciation is calculated using the linear method over the following useful life:
- Operating equipment, fixtures, and fittings 4–5 years

Depreciation period and method are assessed annually. Exit value is estimated at each year-end and changes in estimation of scrapping value is recognised as an estimate change.

1.9 Financial instruments
A financial instrument is any contract that gives rise to a financial asset for an enterprise and a financial commitment or equity instrument for another enterprise.

Financial assets
The company's financial assets are: unlisted equity investments, other receivables and bank deposits.

I Classification
The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the asset, and the business model the company uses in managing its financials assets.

II Recognition
The company recognises financial assets and liabilities at the time that the company becomes a contractual party to the instrument.

III First time measurement
Except for other receivables (prepaid costs) that do not have a significant funding element, the company recognises a financial asset at fair value. All transaction costs are expensed directly.

IV Subsequent measurement
After initial measurement, financial assets and liabilities are classified in the category Fair value with changes in value over profit or loss measured at fair value at each reporting date. For financial investments traded in a non-active market, fair value is determined using IPEV * guidelines, and other relevant valuation methods. Subsequent changes in the fair value of investments are classified as operating items. Earned interest income and dividends for these instruments are recognised in the income statement accordingly. Details regarding the subsequent changes are shown in note ?

V Deduction of financial assets
A financial asset (or, if applicable, part of a financial asset or part of a group with equal financial assets) are deducted (taken from the company's balance sheet) if:

- The contractual right to receive cash flows from the financial asset expires, or
- The company has transferred the contractual right to receive cash flows from the financial asset or retains the right to receive cash flows from a financial asset, but at the same time undertakes to transfer these to a counterparty; and either
    - The company has transferred most of the risks and rewards associated with the asset, or
    - The company has neither transferred nor retained most of the risks and benefits associated with the asset but has transferred control of the asset

1.10 Bank deposits, cash etc.
Cash and cash equivalents include the company's bank portfolio and any cash equivalents. Cash equivalents are short-term liquid investments that can be immediately converted into cash at a known amount and with a maximum maturity of 3 months.

* International Private Equity and Venture Capital Evaluation - European Private Equity industry trade organisation.

Our portfolio companies hold great potential and can scale to create climate solutions both in Norway and internationally.

Note 1 – Accounting princ. cont.

1.11 Equity

Transaction costs directly related to an equity transaction will be recognized directly against equity after tax deduction.

1.12 Provisions

A provision is recognised when (1) the company has a liability (legal or self-imposed) as a result of a previous incident – (2) it is likely (more likely than not) that an economic settlement will occur as a result of this the obligation and – (3) the size of the amount can be reliably measured.

If the effect is significant, the provision is calculated by discounting expected future cash flows by a pre-tax discount rate that reflects the market's pricing of the time value of money – and if relevant – risks specifically related to the obligation.

1.13 Contingent liabilities and assets

Contingent liabilities are not recognised in the statement of total income. Significant contingent liabilities are disclosed with the exception of contingent liabilities where the probability of obligation is low.

A contingent asset is not recognised in the financial statements but is disclosed if there is a certain probability that an advantage will benefit the company.

1.14 Events after the balance sheet date

New information after the balance sheet date regarding the company's financial position on the balance sheet date is taken into account in the final financial statements. Events after the balance sheet date that do not affect the company's financial position on the balance sheet date, but which will affect the company's financial position in the future, are disclosed if this is significant.

1.15 Cash flow statement

The cash flow statement shows the cash flows in the financial year, broken down by operating, investing, and financing activities, net changes for the year in cash, as well as cash at the beginning and end of year.

The cash effect from the purchase and sale of investment objects is shown separately under cash flows from investment activities. In the statement of cash flows, cash flows related to the acquisition of financial assets are recorded from the date of acquisition, while cash flows relating to the sale of financial assets have been carried forward to the date of sale.

(a) Cash flow from operating activities: Cash flow from operating activities is calculated as net operating profit / deficit for the year, adjusted for operating items without cash effect.

(b) Cash flow from investing activities: Cash flow from investing activities consists of payments in connection with the purchase and sale of financial assets, distributions received from financial assets and interest received.

(c) Cash flow from financing activities: Cash flow from financing activities consists of payments received from partners and distributions paid to partners.

1.16 Changes in standards and interpretations with future effective dates

The standards and interpretations adopted up to the time of preparation of the company accounts, but where the date of entry into force is in the future, are stated below. The company's intention is to implement the relevant amendments at the date of entry into force, subject to the EU's approval of the amendments prior to the company accounts.

Amendments to IFRS 3 The definition of business (unofficial Norwegian translation)

The changes will help companies assess whether an acquisition constitutes a business or group of assets. The amended definition emphasises the company's ability to create products in the form of goods and services for customers, of which the former definition focused on returns in the form of dividends, lower expenses or other financials benefits to investors or other owners. In addition to changing the wording of the definition, it also expands its appurtenant guide.

The changes shall apply to transactions where the acquisition date is on or after the start of the first accounting period beginning on or after 1 January 2020. Early implementation is permitted. The company is not planning any early implementation of the changes.

These amendments are not expected to affect the financial statements.

Note 1 – Accounting princ. cont.

Amendments to IAS 1 and IAS 8 – The Definition of Materiality (unofficial Norwegian translation)
The International Accounting Standards Board (IASB) has amended the definition of materiality to make it easier for companies to make material assessments. The definition of materiality is an important concept in IFRS framework and helps companies with the assessment of what information should be included in their accounts. The new the definition leads to amendments to IAS 1 and IAS 8.

The amendments come as a result of feedback from companies about challenges related to their use and understanding earlier definition when assessing whether information was material to the financial statements.

The amendments clarify and aligns the definition of materiality across the standards and clarifies and explains the definition further. The amendments also ensure that the concept of materiality is consistent throughout the IFRS framework.

The amendments apply to accounting periods beginning on or with an entry into force on 1 January 2020, with the possibility of early implementation. The company does not plan to make early use of the changes.

It is expected that the changes will not affect the financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7 as a result of the IBOR reform
The changes provide companies temporary relief for specific requirements related to hedge accounting during the period of uncertainty before current reference rates have been replaced by alternative approximate risk-free interest rates (RFRs).

For the hedging conditions where the relief is used, companies are required to provide additional qualitative and quantitative information. The amendments also provide an exception to the information requirements in IAS 8.28f related to information on the effect of the changes for each item in the financial statements in the current and previous periods.

The amendments apply to accounting periods beginning on or after 1 January 2020, with the possibility of early implementation. The requirements must be applied retrospectively. The company does not plan early implementation of amendments.

Note 2 – Public grants

In 2019, Nysnø Klimainvesteringer AS was awarded NOK 250 000 from the Municipality of Stavanger, as contribution toward the climate conference DRIVA 2019, it was not the same for 2018. The amount is recognised under other operating income.

Note 3 – Salary costs and benefits. cont.

PERSONNEL COSTS	2019	2018
Salaries, board fees and other remuneration	14 067 002	5 517 554
Employer's tax (including financial tax)	2 810 132	1 088 346
Pension costs	957 589	230 927
Other benefits	356 059	1 401 465
Sum	**18 190 783**	**8 238 292**
Average number of man-years	9	6

The Board's statement on the determination of salaries and other remuneration to senior executives

Nysnø has established principles for the remuneration of senior executives. The goal is to attract, develop and keep high qualified employees. The company also ensures moderation. Nysnø's compensation schemes should therefore be competitive, but not market leading, compared to similar companies.

Decision-making

Nysnø has established its own Compensation Committee in an extraordinary board meeting on 6 August 2019. The committee consists of the chairman of the board and a member of the board. The board has set instructions for this committee. The main tasks of the committee are:

- Preparing matters for the Board regarding employment, remuneration and any severance pay to CEO and those who report directly to the CEO.
- To prepare the board's treatment of fundamental issues related to salary level, incentive structure, pension system / terms, employment agreements etc. for the management of Nysnø, as well as other matters related to compensation that is of particular importance for Nysnø's competitive position, profile, recruitment capacity, reputation, etc. The CEO shall discuss the management's individual stipulations with the Compensation Committee.
- To discuss and promote proposals to the Board of Directors regarding remuneration guidelines for senior executives
- To prepare the board's statement regarding the determination of salaries and other remunera-tion to senior executives according to Section 7 of the Articles of Association, as well as dealing with other statutory reporting.
- To do an annual self-evaluation of the committee's work in relation to this instruction, as well as evaluate the content of the instruction and report the results to the board.

Note 3 – Salary costs and benefits. cont.

1. Guidelines for the coming financial year

In 2019, the Compensation Committee started the development of an incentive structure that will apply to all employees in Nysnø as of 01.01.2020. The incentive structure is in line with "Guidelines for salaries and other remuneration to senior executives in enterprises and companies with state ownership", determined by the Government effective as of 13.02.2015. The structure is based on annual sub-targets proposed by the Compensation Committee and determined by the Board of Directors. Key parameters are return, investment rate, compliance and reputation, and individual performance.

Remuneration to the CEO

Remuneration to the CEO consists of a fixed salary (main element), benefits in kind, variable remuneration and pension and pension benefits, and insurance schemes. The total remuneration is determined on the basis of a comprehensive assessment.

Variable remuneration to the CEO applies in the same way as to all employees of the company.

Benefits in kind must not be material in relation to the fixed salary.
The total remuneration is subject to annual assessment and is determined, among other factors, on the basis of wage developments in society in general and in comparable businesses in particular.

Remuneration to other senior executives

The CEO fixes remuneration to senior executives in consultation with the board.

The total remuneration of senior executives consists of a fixed salary (main element), variable remuneration, benefits in kind and pension and insurance schemes. The total remuneration is determined on the basis of the need to be competitive conditions within various functions. The remuneration shall make the company competitive in the relevant labour market and thereby promote the company's value creation. The remuneration shall take into account Nysnø's reputation, and shall not be market leading, but ensure that the company attracts and retains senior management with the required competence and experience.

The fixed salary is subject to annual assessment and is determined, among other things, on the basis of wage developments in society general and comparable businesses in particular.

Benefits in kind can be offered to senior executives to the extent that the benefits have a relevant connection with the employee's function in the company or are in line with market practice. The benefits shall not be material in relation to the employee's fixed salary.

Pension and insurance schemes

Nysnø has entered into a defined contribution pension scheme that applies to all employees. Deposits are paid based on the individual's salary. For salaries etween 1 – 7.1 G, 7 percent of the fixed salary is paid in. For salaries between 7.1 – 12 G, 15 percent of the fixed salary is paid in. For fixed salary above 12 G, no payment is made into the scheme. The company's pension scheme meets the requirements of the Mandatory Occupational Pensions Act.

See the overview of remuneration to senior executives below.

Note 3 – Salary costs and benefits. cont.

3. Payment to the Board and senior executives

Remuneration to Board members

2019 NAME	TITLE	BOARD REMUNERATION	RISK AND AUDIT COMMITTEE	COMPENSATION COMMITTEE
Widar Salbuvik	Chairman	141 236	0	0
Jannicke Hilland	Board member	84 648	0	0
Egil Hermann Sjursen	Board member	84 648	24 900	0
Katharina Ringen Asting	Board member	84 648	18 500	0
Klaus Mohn	Board member	84 648	0	0
Sum		**479 828**	**43 400**	**0**

2018 NAME	TITLE	BOARD REMUNERATION	RISK AND AUDIT COMMITTEE	COMPENSATION COMMITTEE
Widar Salbuvik	Chairman	458 000	0	0
Jannicke Hilland	Board member	193 000	0	0
Egil Hermann Sjursen	Board member	193 000	0	0
Katharina Ringen Asting	Board member	193 000	0	0
Klaus Mohn	Board member	193 000	0	0
Sum		**1 230 000**	**0**	**0**

The Annual General Meeting has approved annual remuneration to the board and the subcommittee of the board, as of 1 January 2019 and until the Annual General Meeting 2020. This amounts to NOK 257 000 for the chairman of the board and NOK 154 000 for the board member. The chairman of the Risk and Audit Committee is given a NOK 24 900 remuneration and members NOK 18 500. The chairman of the Compensation Committee (Widar Salbuvik) receives NOK 20 000 in remuneration and members (Jannicke Hilland) NOK 14 800.

The Compensation Committee was established in August, and effective as of September 2019. First payment for the period from September to December 2019 was made in January 2020. In January 2020, board fees for the period as of the general meeting in 2019 until 31.12.2019 were paid out.

Accrued fees for the period up to the end of the year are allocated in the accounts, the amount is included into the accounting lines salary costs in the income statement and other current liabilities in the balance sheet.

Note 3 – Salary costs and benefits. cont.

Salaries and other remuneration to senior personnel

2019 ROLE	TITLE	EMPLOYEE FROM	SALARY	OTHER ALLOWANCE	SUM
Chief Executive Officer	CEO	01.05.2018	2 522 444	11 339	2 533 783
Chief Legal and Compliance Officer	CLCO	01.08.2018	1 747 143	11 475	1 758 618
Chief Financial Officer	CFO	15.09.2018	1 746 143	11 339	1 757 482
Chief Investment Officer	CIO	15.09.2018	2 023 301	11 339	2 034 640
Sum			**8 039 031**	**45 492**	**8 084 523**

2018 ROLE	TITLE	EMPLOYEE FROM	SALARY	OTHER ALLOWANCE	SUM
Chief Executive Officer	CEO	01.05.2018	1 461 845	4 032	1 465 877
Chief Legal and Compliance Officer	CLCO	01.08.2018	625 000	4 762	629 762
Chief Financial Officer	CFO	15.09.2018	616 667	3 664	620 330
Chief Investment Officer	CIO	15.09.2018	666 667	3 297	669 964
Sum			**3 370 179**	**15 755**	**3 385 933**

In addition, to ensure competitive conditions in line with deliveries, the CIO has been awarded a one-time compensation of NOK 215 000 which will be paid out in 2020.

All senior executives are part of the ordinary defined contribution plan defined in item 1 above.

The CEO does not have an agreement regarding bonus or final settlement upon termination of employment. Upon resignation by the company, the CEO will be entitled to 6 months' salary in addition to salary during the notice period.

No loans or guarantees have been given to members of the management team, the board, employees, or other elected corporate bodies.

Pension obligations

The company is obliged to have an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes meet the requirements of this Act.

Note 3 – Salary costs and benefits. cont.

Audit fees

EXPECTED FEES BY TYPE OF SERVICE (INCLUDING VALUE ADDED TAX)	2019	2018
Statutory audit	152 500	50 000
Other consulting / attestation services	95 238	0
Total fee to auditor	**247 738**	**50 000**

Note 4 – Fixed assets

	INTANGIBLE ASSETS	OFFICE MACHINERY	INVENTORY	SUM
Cost per acquisition 01.01.19	568 398	389 591	302 022	1 260 011
Access purchased fixed assets		116 333	136 560	252 892
Acquisition cost 31.12.19	**568 398**	**505 924**	**438 582**	**1 512 903**
Accumulated depreciation 31.12.19	161 398	144 924	76 092	382 413
Book value 31 December 19	**407 000**	**361 000**	**362 490**	**1 130 490**
Ordinary depreciation for the year	113 000	116 333	73 070	302 402
Economic life	5 years	4 years	5 years	

Note 5 – Note 5 Subsidiary

	OFFICE MUNICIPALITY	OWNERSHIP	ACQUISITION COST	CARRYING VALUE	EQUITY	RESULT
Snøfonn AS	Stavanger	100.0%	30 000	30 000	3 332	-19 774
Sum			**30 000**	**30 000**	**3 332**	**-19 774**

The subsidiary has no operations and is immaterial to the assessment of the group's operations. Nysnø Klimainvesteringer AS is an investment company and makes use of the exception in IFRS 10 from consolidation.

There are no contingent liabilities or commitments related to the subsidiary.

Note 6 – Long-term securities

Nysnø Klimainvesteringer AS
- manages funds for the state
- has made a commitment to the state that the company's business purpose is to invest funds with a view to increasing value in companies that offer healthy, climate-friendly solutions in Norway and abroad
- measures and evaluates the return on investment of all its investments at fair value

	OWNERSHIP	INDUSTRY	ACQUISITION COST	CARRYING VALUE
Disruptive Technologies AS	2.3%	Energy efficiency	19 999 972	19 999 972
eSmart Systems AS	8.2%	Smart power grids	40 000 154	40 000 154
NorSun AS	18.5%	Solar Energy	81 420 111	81 750 901
Otovo AS	9.6%	Solar	58 632 025	77 537 765
Sarsia Seed Fond II AS	11.5%	Pure energy and health	11 937 176	9 794 118
Sum			**211 989 438**	**229 082 910**

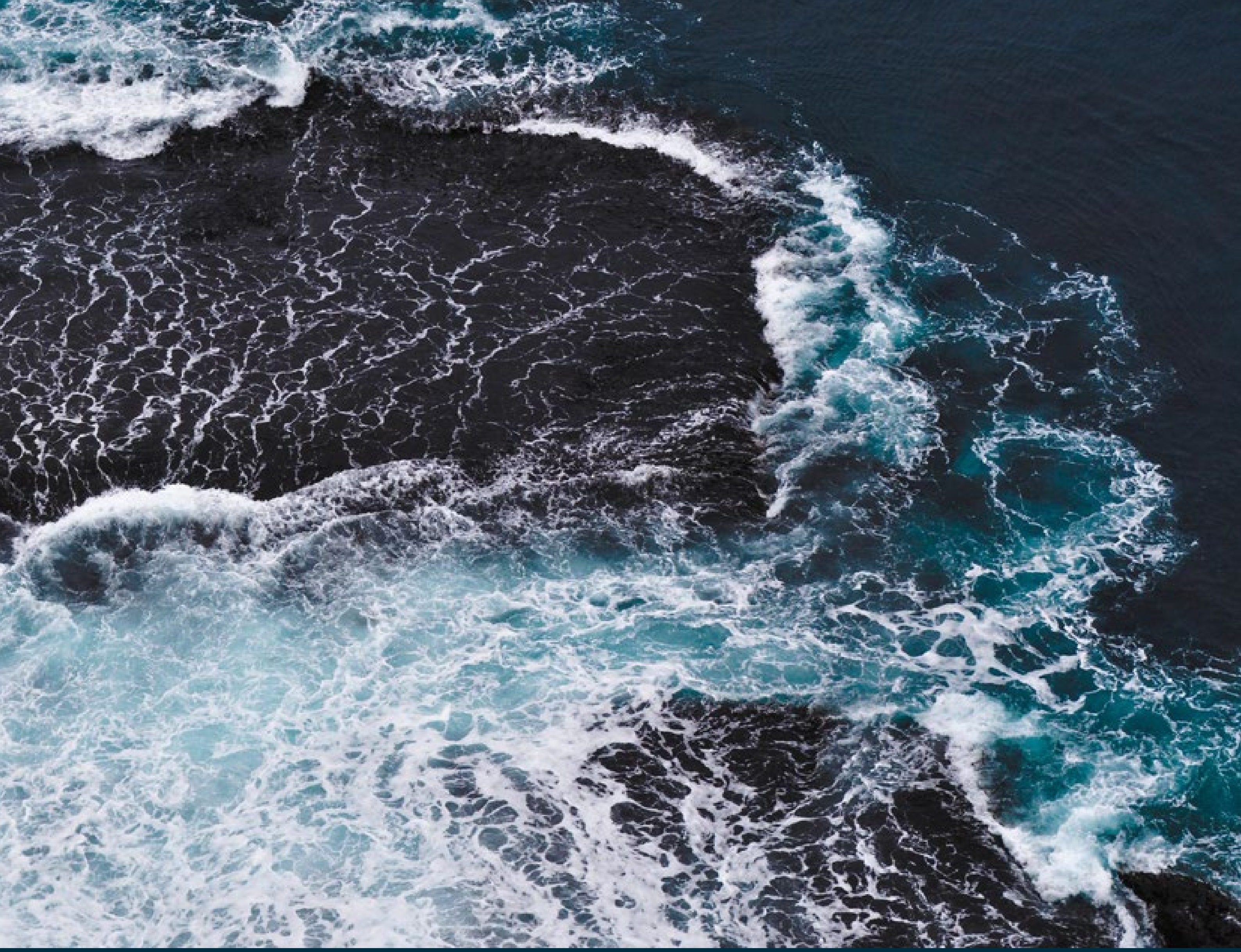
All equity investments above are recognised at IFRS 13 at fair value.

Nysnø's commission in Sarsia is a total of NOK 45 million. Therefore, the company has a remaining deposit obligation of MNOK 33.

OVERVIEW OF CHANGES IN THE PORTFOLIO	2019	2018
Book value 01.01.	85 314 077	0
Procurement	126 675 362	85 314 077
Unrealized value increase	19 236 530	0
Unrealized decline in value	-2 143 059	0
Book value 31.12.	**229 082 910**	**85 314 077**

Note 7 – Short-term receivables

	2019	2018
Prepaid costs	1 085 317	522 773



Note 8 – Accounts payable and other current liabilities

	2019	2018
Trade payables	1 901 676	648 064
Public taxes, tax deductions and the like	1 441 138	1 778 692
Due holiday pay, board fees and bonus incl. fees	3 158 972	608 831
Short-term debt to employees (unpaid travel expenses)	169 940	63 282
Accrued costs	117 666	101 563
Sum	**6 789 392**	**3 200 431**

Accounts payable are not interest-bearing and normal payment deadline is less than 30 days.

Note 9 – Bank deposits

LIQUID SPECIFICATION	2019	2018
Cash in bank	115 231 557	3 266 628
Short-term fixed-rate bank deposits	369 926 267	124 183 311
Balance on tax withholding account	1 008 541	1 742 854
Total cash and cash equivalents	**486 166 365**	**129 192 793**

THE COMPANY HAS THE FOLLOWING RESTRICTED BANK FUNDS	2019	2018
Tax Withholding Account	1 008 541	1 742 854
- of which is bound to cover tax deduction	731 676	1 078 382

The tax deduction is due at maturity.

Note 10 – Shareholders

THE SHARE CAPITAL OF THE COMPANY PER 31.12 CONSISTS OF	NUMBER	NOMINAL VALUE	BOOK VALUE
Ordinary shares	35 000	11 000,00	385 000 000

Changes in share capital and share premiums are shown in a separate statement of equity.

SHAREHOLDERS IN THE COMPANY AS OF 31 DECEMBER WERE	ORDINARY SHARES	OWNERSHIP	VOTING SHARE
Ministry of Trade and Fisheries	35,000	100.0%	100.0%

Calculation of results per year per share and diluted earnings per share is shown in note 15.

Note 11 – Leases

The company has entered into a lease agreement for the lease of office premises. Rent for the company's premises in Roskildehuset in Stavanger has been terminated, and a new lease has been signed for Børehaugen 1. Moving into new premises is expected to take place in March 2020, the right of use and the lease obligation will be included in the balance sheet upon moving in. Annual rental is agreed at NOK 1 241 400.

Upcoming use rights and lease obligations for new premises are described below, with a discount rate of 5 percent.

UTILITY PROPERTY	OFFICE PREMISES	TOTAL
Accessed March 2020	10 173 404	10 173 404
Acquisition cost 31.12.2020	**10 173 404**	**10 173 404**
Depreciation and amortization	667 577	667 577
Accumulated depreciation 31.12.2020	**667 577**	**667 577**
Recognized value of right of use as of 31.12.2020	**9 505 827**	**9 505 827**

RENTAL OBLIGATION UNDISCOUNTED AND PAYMENT DUE	OFFICE PREMISES	TOTAL
Less than 1 year	1 074 570	1 074 570
1–2 years	2 578 968	2 578 968
3–5 years	3 868 452	3 868 452
More than 5 years	5 372 850	5 372 850
Total undiscounted lease obligation 31.12.2020	**12 894 840**	**12 894 840**

CHANGE IN LEASE OBLIGATIONS	OFFICE PREMISES	TOTAL
New lease obligation recognised per March 2020	12 894 840	12 894 840
Payment of principal		
Interest expense related to lease obligations	-2 721 436	-2 721 436
Total discounted rental obligation 31.12.2020	**9 505 827**	**9 505 827**

Note 11 – Leases cont.

The lease agreements do not contain restrictions on the company's dividend policy or financing options. The company has no residual guarantees related to its lease.

Practical solutions used
Nysnø Klimainvesteringer AS has signed several smaller subscription agreements for the rental of IT programs. The company has decided not to include leases where the underlying asset has low value, or short-term leases, and thus does not recognise lease obligations and rights to use any of these leases. Instead, the rental payments are expensed as they occur.

Variable rental payments
In addition to the lease obligations above, the company has committed to pay variable payments for common costs to the lessor of the office premises. The variable rental payments are expensed as they occur.

Options to extend a lease
The company's leases of buildings have a tenancy period of 10 years. The agreement contains a right of extension for another 5 years that may be exercised during the last period of the agreement. The company's potential future rental payments related to such extension option is not included in the lease obligation above.

Note 12 – Tax

BASIS FOR TAX PAYABLE	2019	2018
Profit before tax expense	-2 327 584	-11 955 219
Permanent differences:		
- Realization / dividend within the exemption model	0	0
- Unrealized change in value of investments	-17 093 471	0
- Transaction costs without deduction	625 680	0
- Other permanent differences	78 003	5 412
- Issue and foundation costs	-5 938	-5 570
Basis for tax expense for the year	-18 723 311	-11 955 377
Change in temporary differences	-3 978	-144 637
Transferred to / used deficit for carry-over	18 727 289	12 100 014
Basis for tax payable in the income statement	0	0
Taxable income	0	0

DISTRIBUTION OF TAX EXPENSE	2019	2018
Tax payable (25%)	0	0
Change in deferred tax	0	0
Tax expense	0	0

Note 12 – Tax cont.

SPECIFICATION OF TEMPORARY DIFFERENCES	2019	2018	ENDRING
Fixed assets	148 615	144 637	3 978
Shares outside the exemption method	0	0	0
Deficit for carry-over	-30 827 303	-12 100 014	-18 727 289
Total temporary differences	**-30 678 688**	**-11 955 377**	**-18 723 311**
Estimated deferred tax (+) / tax benefit (-), 25%	-7 669 672	-2 988 844	-4 680 828
Depreciation of deferred tax assets	7 669 672	2 988 844	4 680 828
Deferred tax (+) / tax benefit (-) in the balance sheet	0	0	0

All temporary differences can be offset and this is carried out in the calculation of deferred tax / deferred tax assets.

The company's revenues are mainly expected to fall under the exemption model. Until it is assumed that revenue outside the exemption model exceeds the company's deductible costs, no deferred tax asset will be capitalised.

Note 13 – Financial expenses, financial income and other income

FINANCIAL REVENUE	2019	2018
Interest income bank	7 654 657	351 373
Foreign exchange gain	3 370	171
Other financial income	0	0
Total financial income	**7 658 027**	**351 544**

FINANCIAL COSTS	2019	2018
Interest expenses	-3 728	-174
Currency loss	-6 505	-11 361
Other financial expenses	-595	0
Total financial expenses	**-10 828**	**-11 535**

Note 14 – Contingent liabilities

The company received a subpoena for the Oslo District Court dated October 22, 2019 from SNÖ Holding AS, demanding that Nysnø Kliainvesteringer AS must discontinue all use of the word "NYSNØ" as a hallmark of the company's business. The company deems it as likely that it would win a possible lawsuit, and has therefore not made any provisions in the accounts toward this.

Note 15 – Earnings per share

Ordinary result per share is calculated as the ratio of the profit for the year to the shareholders and the weighted average outstanding ordinary shares throughout the financial year.

There are no convertible bonds or options that would have a dilution effect.

RESULTS FOR THE YEAR ACCRUING TO THE COMPANY'S SHAREHOLDERS	2019	2018
Results for the year from continuing operations	-2 327 584	-11 955 219
Results from divested operations	0	0
Results for the year to ordinary shareholders	**-2 327 584**	**-11 955 219**
Average number of shares outstanding (see note 10)	35 000	10 000
Diluted earnings per share	-67	-1 196

Note 16 – Financial instruments – Financial risk and management's goals and guidelines (IFRS 7)

The company's goal is to invest in companies that solve climate challenges in a smart and profitable way and that provide breeding ground for new, climate-friendly business and technology development. The company's financial assets consist of financial investments, receivables, and bank deposits, arising from equity deposits. The main part of the company's financial liabilities consists of trade payables, government fees and provisions for liabilities.

Nysnø Klimainvesteringer AS is exposed to market risk, liquidity risk and equity risk. The company's management team is responsible for managing this risk. The board provides feedback and approves guidelines for handling of the aforementioned risks.

Market risk
Market risk is the risk that future cash flows from a financial instrument will fluctuate as a result of changes in the market value of the investments. Market risk consists of interest rate risk and currency risk. The company invests in companies that are not listed and where high risk may occur. Nysnø is handling this the risk through diversification and by setting limits for each individual and total equity investment. Reports on the investment portfolio is presented to the management team on a regular bases. The Company's Investment Committee and the Board of Directors review and approve all equity investments.

Interest rate risk
Interest rate risk is the risk of fluctuation in future cash flows to a financial instrument as a result of changes in market rates. As of 31 December, the company has both ordinary bank deposits with floating interest rates and "green" deposits in three different banks where interest rates and deposits are fixed. Since the company has no long-term debt, the goal for the management team responsible for interest rate management is to ensure that the interest income on deposits is maximized at the same time as the funds are placed appropriately with a view to Nysnø's purpose.

Currency risk
Currency risk is the risk that future cash flows will fluctuate as a result of changes in exchange rates. Nysnø is not particularly exposed to currency risk, with the exception of commitments in foreign currency funds.

Liquidity risk
Liquidity risk is the risk that the company will not be able to meet its financial obligations at maturity. The company's approach to dealing with this is to ensure, as far as possible, that it will always have sufficient liquidity to fulfil its obligations, both under normal and demanding conditions, and without incurring unacceptable losses or risk damaging the company's reputation. Unused credit reserves are covered in Note 9.

The company's commitments as of 31 December 2019 are insignificant.

Note 16 – Financial instruments cont.

MATURITY ANALYSIS	<1 MONTH	1–3 MONTHS	3–6 MONTHS	6 MONTHS <1 YEAR	SUM
Trade payables	1 849 943	51 733	0	0	1 901 676
Public taxes payable	1 225 840	215 298	0	0	1 441 138
Other current liabilities	**212 606**	**75 000**	**3 158 972**	**0**	**3 446 578**

Credit risk

Credit risk is the risk that a counterparty will not fulfil its obligations related to a financial instrument or a contract, leading to a financial loss. The company is not particularly exposed to credit risk from financing activities, including deposits with banks and financial institutions and other financial instruments.

Asset Management

For asset management, the primary focus is to ensure that the company maintains a good credit rating and a sound capital structure that supports the business and maximizes shareholder value.

KEY FIGURES FUNDING	2019	2018
Accounts payable and other current liabilities	-6 789 392	-3 200 431
Bank deposits	486 166 365	129 192 793
Net "debt"	479 376 973	125 992 362
Equity	-710 705 690	-213 039 211
Net debt and equity	**-231 328 717**	**-87 046 849**
Equity ratio	99,1 %	98,5 %

Fair value of financial instruments

The carrying amount of bank deposits is approximately equal to fair value as these instruments have a short maturity. Similarly, the carrying amount of receivables and trade payables is almost equal to fair value as they are entered into under “normal” terms. The fair value of investments is determined using available values, cf. quarterly reports and the latest issue rate for relatively newly acquired instruments.

Note 16 – Financial instruments cont.

COMPARISON OF VALUES 2019	VALUATION HIERARCHY	BOOK VALUE	AMORTIZED COST	FAIR VALUE
Financial assets				
Investments	Level 3	229 082 910	211 989 438	229 082 910
Other receivables	Level 3	1 085 317	1 085 317	1 085 317
Bank deposits	Level 1	486 166 365	486 166 365	486 166 365
Financial liabilities				
Accounts payable and other debt	**Level 3**	**-6 789 392**	**-6 789 392**	**-6 789 392**

COMPARISON OF VALUES 2018	VALUATION HIERARCHY	BOOK VALUE	AMORTIZED COST	FAIR VALUE
Financial assets				
Investments	Level 3	85 314 077	85 314 077	85 314 077
Other receivables	Level 3	522 773	522 773	522 773
Bank deposits	Level 1	129 192 793	129 192 793	129 192 793
Financial liabilities				
Accounts payable and other debt	**Level 3**	**-3 200 431**	**-3 200 431**	**-3 200 431**

The company classifies fair value measurements using a fair value hierarchy that reflects the significance of input used in the preparation of the measurements. The fair value hierarchy has the following levels:

- Level 1: Input is quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Input is other than quoted prices included in Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Input for the asset or liability is not based on observable market data (non-observable input)

Note 17 – Events after the balance sheet date

Investments

Nysnø Klimainvesteringer AS subscribed to the Canadian fund ArcTern Ventures Fund II LP in December 2019. Nysnø's commitment in the fund is CAD 20 000 000 of a total of CAD 197 785 335 after the third closing. The fund has a mandate to grow to a total of CAD 200 000 000.

ArcTern invests in green technology companies, with the subcategories of clean energy, energy consumption, recycling, advanced production and materials, transport, as well as food production. The first payment of capital to the fund was made on January 24, 2020 and totalled CAD 3 699 836.

Virus outbreak

The outbreak of the virus COVID-19 is an event that occurred after the balance sheet date, so it had no bearing or consequence for any of the figures in the 2019 financial statements. This is a worldwide pandemic that could impact the value of the company's portfolio. It is presumed that the balance sheet values as of 31 December 2019 are still intact at the presentation of the accounts.

Deloitte.

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Til generalforsamlingen i NYSNØ KLIMAINVESTERINGER AS

UAVHENGIG REVISORS BERETNING

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert NYSNØ KLIMAINVESTERINGER AS' årsregnskap som består av balanse per 31. desember 2019, resultatregnskap, oppstilling over endringer i egenkapital og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noteopplysninger til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2019, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med International Financial Reporting Standards som fastsatt av EU.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvisende bilde i samsvar med International Financial Reporting Standards som fastsatt av EU. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et regnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvikle selskapet eller legge ned virksomheten, eller ikke har noe realistisk alternativ til dette.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og anslår vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av regnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i regnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon om årsregnskapet og årsberetningen. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet representerer de underliggende transaksjonene og hendelsene på en måte som gir et rettvisende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Stavanger, 2. april 2020
Deloitte AS

Bjarte M. Jonassen
statsautorisert revisor

Employees at Nysnø

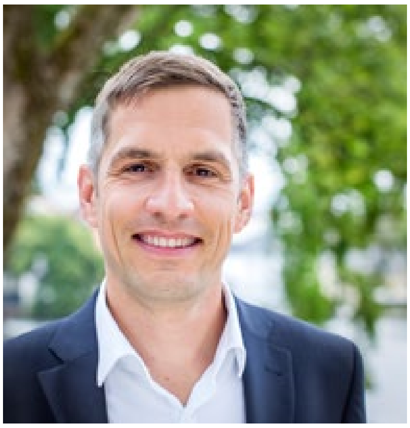
Siri Kalvig
Chief Excecutive Officer

Eivind Egeland Olsen
Chief Investment Officer

Frances Eaton
Chief Legal and Compliance Officer

Bjørn Munthe
Chief Financial Officer

Lars Hvam
Investment Manager



Jean-Baptiste Curien
Investment Manager

Jens Erich Jenssen
Investment Analyst

John Egil Johannessen
Investment Manager

Lene Elizabeth Hodge
Sustainability and Communications Officer

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