MVEST WATER

ANNUAL REPORT 2024

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Letter from the Executive Chairman

I am pleased to report that our total revenue in 2024 has doubled compared to 2023. This growth has been primarily driven by an increase in recurring revenue from chemical sales to the aquaculture sector. However, all our targeted business segments have made significant progress, both technologically and commercially. Over the past year, we have strengthened our position in the Middle East and reached a key milestone with our first dredging contract.

In the aquaculture industry, MVW's primary mission is to support salmon slaughterhouses with solutions that are both environmentally and economically sustainable. Beyond water treatment, our goal is to help our customers maximize value by reusing biological sludge.

In September, MVW successfully implemented its solutions at two salmon slaughterhouses. The first was Holmøy Maritime. Their new and modern factory at Holmen was designed to comply with the EU emission standards from day one. The second, an Icelandic salmon slaughterhouse, Búlandstindur, chose to take the lead by proactively initiating discharge water treatment, even though the EU discharge requirements are not yet enforced in Iceland. It is a great recognition for MVW that our solution was selected, reaffirming our position as the industry's preferred choice.

In December, MVW announced another contract with equipment delivery to Downstream Marine. The equipment, designed to dose our natural water treatment chemical NORWAFLOC®, will be delivered to a Norwegian salmon slaughterhouse and its modern treatment plant, which is set to be operational by late 2025.

Another major achievement in December was the signing of a long-term framework agreement with VEBIRO. This commercial milestone follows two years of collaboration, and the major technological breakthrough announced in August—our natural NORWAFLOC® products now being able to fully replace synthetic polymers in sludge dewatering.

The global market for dredging sludge dewatering is vast and rapidly growing, making this contract a key commercial achievement. To the best of our knowledge, VEBIRO and MVW will be the first suppliers to introduce 100% natural products in this industry—meeting a standard requirement in German municipal tenders that no other contractor has been able to fulfill until now. We are excited about the future potential of this technology, which not only enables the sustainable reuse of sludge in landscaping but also has applications in industries such as Sand & Gravel, mining, and municipal operations.

Our water treatment solutions for the Oil & Gas industry continue to gain attention as regulators and operators prioritize groundwater protection and minimizing environmental impact. Our partnership with Energy Support Trading (EST) has accelerated the qualification process, allowing us to submit tenders directly to major operators in Saudi Arabia and Kuwait.

By the second half of 2024, our tender portfolio in the Gulf Cooperation Council (GCC) region had solidified, with expectations for realization in 2025 and 2026. In February 2025, we further strengthened our presence by signing an exclusive agent agreement with Invest Support Company (ISC), covering MVW's activities in Qatar, Bahrain, Oman, Dubai, and the Emirates.

Our growing tender portfolio is a proof of concept and reflects the potential of our technology. Furthermore, MVW's mission aligns perfectly with global megatrends, including the urgent demand for clean usable water, increasing regulatory pressures on wastewater treatment, and rising awareness of water pollution's environmental impact. With a scalable, capital-light business model, MVW is well-positioned to create lasting value for our shareholders.

We look ahead to 2025 with confidence, expecting continued expansion in key markets, further commercialization, and upscaling of our products and services. With a strong foundation of recurring revenues, key commercial milestones—such as our recent dredging contract—and a solid tender portfolio in the Middle East, we are optimistic about the year ahead.

Lastly, I would like to express my appreciation to our dedicated team, partners, and shareholders for their invaluable support. We are grateful for your trust and belief in our vision!

Tor Olav Gabrielsen

Tor Olav Gabrielsen (Executive Chairman)

Board of Directors’ Report

MVW is a global Greentech company with offices in Norway and Germany. MVW develops products and technologies enabling environmentally responsible and highly efficient water treatment for a wide array of industries worldwide. MVW has a singular and clear-cut mission: to realize a zero-discharge future. With its disruptive technology, the company is already making significant strides towards achieving this goal. The technology is well protected under a family of patents in applicable states and regions.

MVW commenced its operations in 2017 and was listed on the Euronext Growth Oslo in 2021.

Operations and Development

MVW currently has 13 employees in Norway and Germany, and 550 sqm of storage and production facilities at the head office in Bergen-Norway. NORWAFLOC®, the company’s patented bio-flocculant and coagulant is today produced at our production facility in Bergen, Norway. Business expansion to Central Europe via outsourcing of production is in progress according to plan, as we see synergies providing significant cost savings.

The company made important technological advances over the past four years and have entered the commercialization phase. The investments in onsite verifications and pilot programmes have resulted in technological advancements, breakthroughs and contract awards in the targeted market segments Oil & Gas, Aquaculture and Dredging. In addition, considerable resources have been invested in marketing and safeguarding the company's intellectual property rights.

Oil & Gas:

MVW has supplied a Norwegian Oil Terminal and SAR Mongstad with NORWAFLOC® since respectively 2018 and 2023, demonstrating a substantial improvement in water treatment efficiency for these important clients.

MVW's patented NORWAFLOC® and NORWAPOL® technology was in 2023 qualified for produced water from onshore oil production in USA, after a 12-month technology qualification, confirming the MVW technology as disruptive. The technological breakthrough has garnered significant interest among several major international operator companies, as it has shown great potential to be a solution to the numerous water purification challenges that the industry faces in maintaining sustainable oil production.

In 2024, MVW strongly focused on the Middle East produced water market. Major oil-producing countries in these regions rely heavily on groundwater, which is rapidly depleting. Furthermore, wastewater from oil production is contaminating these groundwater reserves. MVW's technology addresses both the depletion of water resources and the issue of contamination. Consequently, MVW's environmentally friendly and sustainable solutions are gaining attention from both authorities and oil operators in the area.

The US technology qualification has been instrumental in driving our success in the Middle East. Due to the strong interest for our solutions in the Middle East in 2024, our strategic priorities have naturally been focused on qualification and tendering work in this region. Both the US and the Middle East are highly attractive markets for MVW due to the significant volumes of produced water.

In July 2024, MVW signed an Agent Agreement with Energy Support Trading (EST). The partnership has significantly accelerated our qualification process, allowing us to submit tenders directly to major operators in Saudi Arabia and Kuwait. In February 2025, MVW signed an extensive Agent Agreement with EST's sister company, Invest Support Company (ISC). This long-term agreement covers MVW's operations in Qatar, Bahrain, Oman, Dubai, and the Emirates, ensuring high-quality representation for MVW's activities across the Middle East. Our tender portfolio in the GCC region has solidified, and we expect it to materialize in 2025 and 2026.

Aquaculture:

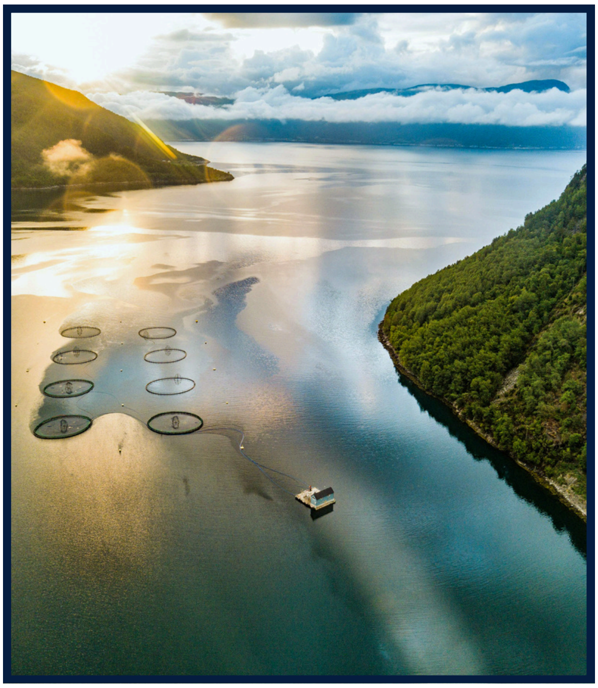
MVW has since 2022, in partnership with Downstream Marine, developed Best-Available-Technology for treatment of wastewater from salmon slaughterhouses. To the best of our knowledge, MVW is the pioneering company that has discovered a sustainable solution to the challenges faced by salmon slaughterhouses as new discharge requirements are enforced.

MVW received its first order for supply of NORWAFLOC® to this industry in first quarter of 2024.This specific production site has been enabled for testing and optimalization projects to improve water treatment results and to develop even better methods and solutions for MVWs technology.

In September 2024, MVW successfully implemented its solutions at two salmon slaughterhouses. The first was Holmøy Maritime. Their new and modern factory at Holmen was designed to comply with the EU emission standards from day one.

The second, an Icelandic salmon slaughterhouse, Búlandstindur, chose to take the lead by proactively initiating discharge water treatment, even though the EU discharge requirements are not yet enforced in Iceland. It is a great recognition for MVW that our solution was selected, reaffirming our position as the industry's preferred choice.

MVW has been awarded contracts for delivering process equipment to 5 slaughterhouses in Norway, the latest contract announced in December 2024. The equipment, designed to dose our natural water treatment chemical NORWAFLOC®, will be delivered to a Norwegian salmon slaughterhouse and its modern treatment plant, set to be operational with supply of NORWAFLOC® by late 2025.



Financially, aquaculture was the most important business area in 2024. The introduction of green chemical supplies to two additional salmon slaughterhouses from September onward has solidified recurring revenues and driven increased production at our Bergen facility.

The Norwegian market, consisting of approximately 45 salmon slaughterhouses, is currently awaiting responses from the authorities on their discharge exemption requests. The number of contracts is expected to increase as more applications are processed.

Dredging:

In December 2024, MVW was awarded a long-term Frame and Cooperation Agreement with VEBIRO GmbH and VEBIRO West GmbH in Germany. The agreement, valued at an estimated 50-125 MNOK, includes a two-year exclusive implementation phase for the supply of NORWAFLOC® to their operational units.

This commercial milestone follows a major technological breakthrough earlier in 2024, the ability of our natural NORWAFLOC® products to completely replace synthetic polymers in sludge dewatering. Since establishing our German subsidiary in 2022, MVW has been working towards this achievement—a goal fully aligned with government regulations that mandate zero tolerance for synthetic polymers in the industry.

In collaboration with VEBIRO, MVW has started replacing synthetic polyacrylamide flocculants at four dredging sites and one Sand & Gravel washing site. A successful pilot and implementation will grant MVW access to several identified customers in Germany, many of whom have been actively seeking a

natural solution to meet municipal specifications. To the best of our knowledge, VEBIRO and MVW will be the only bidders able to offer natural water purification products, a standard requirement in municipal tenders that no contractor has been able to meet until now.

The products MVW has developed for the dredging industry have a wide range of other applications. As a result, our company recently announced the signing of a framework agreement with Verde Vision GmbH. Through this cooperation, our NORWAFLOC® can contribute to more eco-friendly farming.

Comments related to the Financial Statements:

The below information describes the operations of the consolidated group (parent company) in 2024.

The revenues increased from NOK 11 007 916 (NOK 10 833 417) last year to NOK 22 684 689 (NOK 22 628 640) in 2024. Loss for 2024 was NOK – 24 529 502 (NOK -19 237 992), as last year, NOK -28 317 355 (NOK -25 346 023).

During 2024 development costs amounted to NOK 2 851 885 (NOK 2 851 885), whilst costs related to patents and trademarks amounted to NOK 1 354 487 (NOK 1 354 487).

Total assets at year-end amounted to NOK 41 085 841 (NOK 48 196 008), compared to NOK 42 674 798 (NOK 44 762 297) last year.

The equity ratio was 74 % (81%) as of 31.12.2024, compared to 63 % (68%) the year before.

Total net cash flow from operating activities was NOK 22 636 104 (NOK 17 018 824) in 2024.

The capital investments during 2024 amounted to NOK 895 942 (NOK 279 306).

On April 23, 2024, M Vest Water raised NOK 20 000 000 in gross proceeds through a private placement. In conjunction with the private placement, the company reached an agreement with two of its shareholders to convert their outstanding shareholder loans, totalling NOK 8 142 616.

The liquidity reserve as of 31.12.2024 amounts to NOK 1 244 400 (NOK 1 152 929).

Throughout 2024, MVW has invested in qualifying the company's technology towards several industry segments. This has reduced the liquidity reserves. During 2024 the company has prepared the basis for commercialization of technology and products within Oil & Gas, Aquaculture and Dredging sludge treatment. The Board is of the opinion that the annual accounts provide a true and fair picture of the company's financial position at the end of the year.

The net loss ended at NOK 24 529 502 (NOK 19 237 992). The allocation of the net loss for the year is shown in the Annual Financial Statement.

Going Concern

The Board of Directors confirms that the annual financial statement for 2024 has been prepared under the assumption that MVW is a going concern.

At end of 2024, the recorded equity was NOK 30 307 710 (NOK 39 063 389), and the free cash was NOK 1 244 400. The company has an unutilized overdraft facility of NOK 5 000 000, in accordance with note 8. In addition, the company has in March 2025 entered into a loan agreement with the company's main shareholders, with a loan limit of NOK 12 000 000. The loan will be disbursed in 4 tranches by 31.12.2025.

The company's strategy includes significant growth over the next years. Successful technological advancements and market acceptance in 2023 and 2024 give the company a good foundation for 2025. Cash burn was reduced in 2024 compared to the previous year, and the company expects a further reduction in 2025. The company has secured a substantial order reserve for 2025 and expects increased sales in 2025 within the company's priority industry segments.

The company has secured access to cash in short term, and there is currently adequate liquidity. However, as of the reporting date, there is no financing solution in place to cover operational risks as well as loan with the company's main shareholders maturing on 31.12.2025. The Board of Directors and management closely monitor the liquidity situation to ensure further adequate liquidity in the company and are exploring means of financing, which may include external financing. If the board and management do not succeed with the plans, there will be uncertainty associated with the company's ability to continue as a going concern.

Risk & Risk Management

Risk management is a continuous process and an integrated part of the business and the company's QHSE system. Key risks are commented below.

Interest rate

The group's debt was in NOK with floating interest rates. Shareholder loan is unsecured. The group's debt ratio is low, hence low risk.

Foreign currency

The company is exposed to currency fluctuations due to the international nature of its operations. Fluctuations in euro constitute a risk, as most of the company's purchases come from suppliers who invoice in euro. Currently, there is no currency hedging.

Credit risk

The risk for losses on receivables is low, however, it can be expected to increase as the company grows. The company has not yet experienced any losses on receivables.

Liquidity risk

Managing liquidity risk is a high priority. The group will have negative cash flow into the year 2025. Cash burn was significantly reduced in 2024 compared to the previous year and the company expects a further reduction in 2025.

The company has an unutilized overdraft facility of NOK 5 000 000 issued by DNB that can be used to finance inventories and trade receivables. In March 2025, the group secured a loan facility from its major shareholders of NOK 12 000 000. For further comments related to liquidity, see the going concern section.

For further comments related to liquidity, see the going concern section.

Working environment and equality

Zero incidents or reports of work-related accidents resulting in significant personal injury or material damage occurred during the year. The organization continuously strive to improve quality and prevent any negative incident or damage.

Number of employees is currently 13. The company is satisfied with the working environment and continuously strives to further improve the working environment. Leave of absence due to illness in 2024 is insignificant. MVW offers occupational health service to the employees in addition to offers of physical treatment through health insurance.

MVW provides equal employment opportunities to all qualified candidates and employees.

MVW actively creates and promotes an environment that is inclusive of all people and their unique abilities, strengths, and differences. We do not tolerate discrimination against any employee based on age, gender, sexual orientation, disability, race, nationality, political opinions, religion or ethnic background, or any other basis prohibited by law.

As we continue to grow, we believe that embracing diversity and equal opportunities in every aspect of our business is vital to long-term success. We respect diversity in each other, our customers and suppliers and all others with whom we interact.

Insurance for Board members and executive management

MVW has liability insurance for the Board and executive management covering any indemnity for financial loss arising from personal managerial liability, including personal liability for the company's debts, arising out of any claim first made against the company. The limit of the liability is NOK 25 000 000 per claim and in the aggregate for the policy.

The insured under this policy is any past, present or future individual member of the Board of Directors and/or executive Board or similar executive body of the company as well as any past, present or future officer, de facto director, shadow director or employee of the company who is capable of incurring personal managerial liability.

Corporate governance

MVW considers good corporate governance to be a prerequisite for trustworthiness, value creation, and access to capital. To secure strong and sustainable corporate governance, it is important that MVW ensures good and healthy business practices, reliable financial reporting, and an environment of compliance with legislation and regulations.

MVW is incorporated and registered in Norway and is subject to Norwegian law. The shares of MVW are listed on Euronext Growth. As a Norwegian public limited liability company, MVW must comply with the

Norwegian Securities Trading Act, the Continuing obligations for companies listed on Euronext Growth, the Norwegian Public Limited Liability Companies Act and all other applicable laws and regulations.

In accordance with the company's adopted Code of Conduct we strive to operate our business in a way that will provide lasting benefits to all stakeholders, customers, partners, shareholders, employees and suppliers in addition to the communities in which we operate.

Corporate Social Responsibility Statement

In accordance with the company's adopted code of conduct, we strive to conduct our business in a way that facilitates the proper consideration of the working environment, social conditions, human rights, workplace health, safety, diversity and inclusion.

Sustainability

- MVW is dedicated to responsible growth that prioritizes the well-being of both people and the planet.

- MVW`s products and technologies deliver environmental benefits, directly supporting 8 of the 17 United Nations Sustainable Development Goals (SDGs).

- By using biodegradable materials instead of synthetic polymer-based coagulants and flocculants, MVW helps eliminate microplastic pollution. Additionally, MVW's solutions contribute to reduced discharge levels, lower CO2 emissions, and enhanced water and sludge reuse.

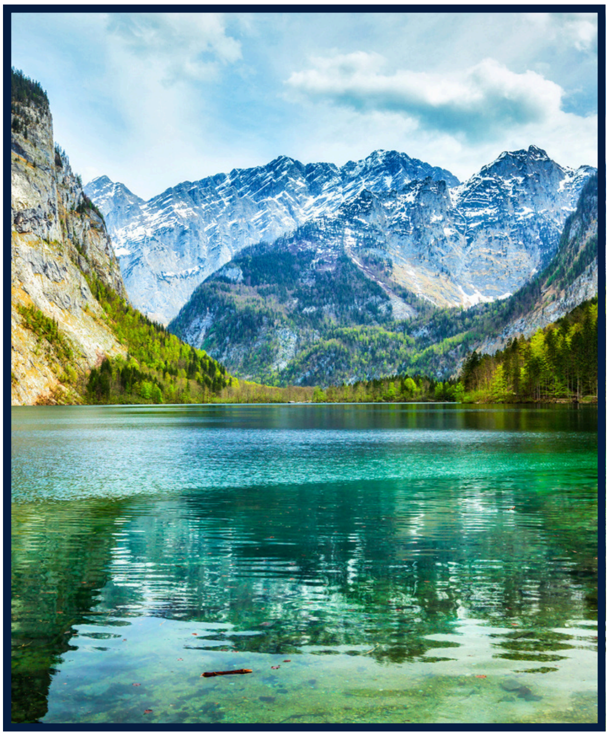
- Our products also comply with the European Chemicals Agency's (ECHA) recommendations for restricting the intentional use of microplastics within the European Union.

- Waste from our own production facilities, including waste considered harmful to the environment, is within regulatory limitations. MVW's operations are not regulated by licenses or impositions.

Equity and Shareholder issues

As of December 31, 2024, MVW had 32,717,827 shares issued, all of which are of the same class and carry equal voting and dividend rights. Each share has a nominal value of NOK 0,002277. M Vest Water's ordinary shares are listed on the Euronext Growth Oslo (ticker: MVW) and denominated in Norwegian kroner.

In accordance with the Board authorization granted by the Annual General Meeting on 27 April 2023, the Board of Directors of MVW has on January 31, 2024, awarded a total of 585,000 options to executive management and key employees. The total number of outstanding options in the company is 725,000 as of December 31, 2024.



Outlook

The Board emphasizes that forward looking statements contained in this report are based on various assumptions and forecasts that, by their nature, involve risk and uncertainty. Accordingly, actual results may differ materially.

Within the overall global water treatment market, MVW targets the flocculant/coagulant segment and the advanced/combined filtration segments, which had a combined market size of USD 20 billion in 2020 and is expected to grow 6-7% annually to USD 30 billion in 2027. The company's products are well suited for both municipal and industrial water treatment applications, including all sub-segments within the broad industrial segment. The growth of the market can be attributed to tighter restrictions for discharge into seas, rivers, and nature.

The doubling of revenues from 2023 to 2024 and the increase of chemical sales gives a solid baseline of annual recurring revenues with increased profit margins for 2025 and further on.

Financially, aquaculture has been the most important business area in 2024. In the coming period, it is also expected significant contributions from the business segments Dredging and Oil & Gas.

The contract award from VEBIRO is a key commercial milestone for M Vest Water. The implementation process of NORWAFLOC® at the client's dredging units is ongoing and represents a crucial step forward for our business in Germany.

Regarding the investments in the Middle East Oil & Gas sector, the partnership with Energy Support Trading has accelerated the qualification process, enabling us to build a solid tender portfolio in Saudi Arabia and Kuwait. Adding to this momentum, is the latest announcement, an agent agreement with Invest Support Company. This agreement expands our reach to additional countries and enables us to submit tenders directly to a broad range of Middle Eastern operators and IPC contractors. This is expected to materialize in 2025 and 2026. With the latest technology breakthrough within the Dredging industry, successfully replacing synthetic microplastic based chemicals, MVW's technology and solutions are proven to all focused business segments as we are entering 2025. MVW's resources are now entirely dedicated to i) the implementation of the Vebiro contract and ii) to win contracts in the Middle East, Dredging and Aquaculture. Based on our current business plans and ongoing commercial processes, we anticipate sustained revenue growth in the forthcoming period.

The Board of Directors would like to extend our appreciation to our employees, shareholders and partners for their contributions during 2024.

Bergen, March 11th, 2025

Tor Olav Gabrielsen (Executive Chairman)

Rune Aslak Gaasø (Board Member)

Atle Mundheim (Board Member)

Responsibility Statement

The Board and Executive Chairman have today considered and approved the Directors' Report and Annual Financial Statements for M Vest Water AS as of December 31, 2024 (Annual Report 2024).

To the best of our knowledge:

- The consolidated financial statements for 2024 have been prepared in English and in accordance with Section 3-9 of the Accounting Act (Norway) and the Regulations on Simplified IFRS enacted by the Norwegian Ministry of Finance on 21 January 2008.
- The information in the consolidated financial statements gives a true and fair view of the assets, liabilities, financial position and overall results as of December 31, 2024.
- The Board of Director's Report gives a true and fair view of:
  -the development, result and position of the company
  -the principal risks and uncertainties faced by the company.

The Board of Directors and Executive Chairman – M Vest Water AS

Bergen, March 11th, 2025

Tor Olav Gabrielsen (Executive Chairman) Rune Aslak Gaasø (Board Member)

Atle Mundheim (Board Member)

Annual Report 2024
M Vest Water Group

Org.no.: 914 631 408

Consolidated income statement and other comprehensive income

M Vest Water Group

Operating income and expenses	**Note**	**2024**	**2023**
(all figures in NOK)			
Sales revenue	1	22 684 689	11 007 916
Total revenue		**22 684 689**	**11 007 916**
Cost of goods sold	3	12 402 151	6 552 339
Change in inventory	3	56 513	18 611
Employee benefits expense	4, 5	23 511 648	21 252 039
Capitalized employee benefits expense	4	-2 094 172	-1 963 881
Depreciation	6, 7	3 082 835	2 664 629
Impairment loss	6	0	227 611
Other operating expenses	4	9 895 949	10 428 492
Total expenses		**46 854 924**	**39 179 840**
Operating profit		**-24 170 235**	**-28 171 924**
Financial income and expenses			
Other interest income		275 919	465 195
Other financial income		268 577	94 279
Other interest expenses	7	472 168	378 404
Other financial expenses		431 595	326 501
Net financial items		**-359 267**	**-145 431**
Net profit before tax		-24 529 502	-28 317 355
Income tax expense	9	0	0
Net profit after tax	**9**	**-24 529 502**	**-28 317 355**
Net profit or loss	**10**	**-24 529 502**	**-28 317 355**
Other comprehensive income			
Component of OCI			
Exchange differences on translation	10	3 604	-25 834
Total comprehensive income	**11**	**-24 525 898**	**-28 343 189**
Attributable to			
Transferred from equity		-24 525 898	-28 343 189
Earnings per share (diluted and basis):		-0,7775	-0,9707

Consolidated balance sheet

M Vest Water Group

Assets	Note	2024	2023
Non-current assets			
Intangible assets			
Capitalized development costs	6	13 064 080	10 212 195
Patents and trademarks	6	8 196 627	6 927 010
Total intangible assets		**21 260 707**	**17 139 205**
Machinery and equipment	6	5 497 645	5 788 742
Equipment and other movables	6	4 681 473	4 841 543
Office facilities (Right of use Asset)	6, 7	2 889 592	3 857 740
Total property, plant and equipment		**13 068 710**	**14 488 025**
Other long-term receivables	13	70 770	1 728 370
Total non-current financial assets		**70 770**	**1 728 370**
Total non-current assets		**34 400 186**	**33 355 600**
Current assets			
Inventories	3	994 535	740 796
Debtors			
Accounts receivables	8	3 046 933	1 698 153
Other short-term receivables		1 399 787	1 399 407
Total receivables		**4 446 720**	**3 097 560**
Cash and cash equivalents	14	1 244 400	5 480 842
Total current assets		**6 685 654**	**9 319 198**
Total assets		**41 085 841**	**42 674 798**

Consolidated balance sheet

M Vest Water Group

Equity and liabilities	**Note**	**2024**	**2023**
Equity			
Paid-in capital			
Share capital	10, 15	74 483	66 475
Share premium reserve	10	28 376 422	26 104 460
Share option based plan	5, 10	1 847 160	843 854
Total paid-up equity		**30 298 065**	**27 014 789**
Reserve for valuation variances		9 644	13 249
Total retained earnings		**9 644**	**13 249**
Total equity	**11, 16**	**30 307 710**	**27 028 038**
Liabilities			
Liabilities to financial institutions	8	0	750 013
Other non-current liabilities	5, 7	1 433 442	2 038 326
Total non-current liabilities		**1 433 442**	**2 788 339**
Current liabilities			
Liabilities to financial institutions	8	750 013	999 996
Trade payables		3 029 279	1 413 653
Public duties payable		1 886 101	2 132 036
Other current liabilities	7, 8	3 679 296	8 312 736
Total current liabilities		**9 344 689**	**12 858 421**
Total liabilities		**10 778 131**	**15 646 760**
Total equity and liabilities		**41 085 841**	**42 674 798**

Bergen, March 11th, 2025
The board of M Vest Water Group

Atle Mundheim
Atle Mundheim
Member of the board

Tor Olav Gabrielsen
Executive Chairman/General Manager

Rune Aslak Gaasø
Chairman of the board

M Vest Water Group

Group Cash Flow Statement

		FY 2024	FY 2023
	Cash flow from operating activities		
	Profit/(loss) before income tax	-24 529 502	-28 317 356
+	Depreciation, amortization	3 082 835	2 664 629
+	Impairment	0	227 611
+	Provision for obsolete raw materials and goods	294 008	0
+	Share option employee program	1 143 306	843 854
+/-	(Increase)/decrease in inventories	-547 747	509 763
+/-	(Increase)/decrease in trade receivables	-1 348 780	-1 102 411
+/-	(Increase)/decrease in other receivables	1 664 907	-1 739 693
+/-	Increase/(decrease) in other liabilities	-2 032 132	477 741
+/-	Increase/(decrease) in trade and other payables	-362 999	235 930
+/-	Changes in other accruals	0	538 487
=	**Net cash flow from operating activities**	-22 636 104	-25 661 445
	Cash flow from investment activities		
+	Capital expentitures PPE	-895 942	-358 271
-	Capital expentitures patents, R&D	-4 206 372	-4 033 361
=	**Net cash flow from investment activities**	-5 102 314	-4 391 632
	Cash flow from financing activities		
-	Installments borrowings credit institutions	-999 996	-1 288 751
+/-	Loan from owners	5 839 380	2 000 000
+	Increase in paid-in share capital	20 000 000	0
-	Transaction costs on share capital increase	-1 337 413	0
=	**Net cash flow from financing activities**	23 501 971	711 249
=	**Net (decrease)/increase in cash and cash equivalents**	-4 236 446	-29 341 828
+	Cash and equivalents at beginning of the period	5 480 842	34 822 667
=	**Cash and equivalents at end of the period**	1 244 400	5 480 842

Income statement and other comprehensive income

M Vest Water AS

Operating income and expenses (all figures in NOK)	Note	2024	2023
Revenue	1, 2	22 628 640	10 833 417
Total revenue		**22 628 640**	**10 833 417**
Cost of goods sold	3	12 265 308	6 409 967
Change in inventory	3	41 892	18 611
Employee benefits expense	4, 5	19 762 369	19 445 570
Capitalized employee benefits expense	4	-2 094 172	-1 963 881
Depreciation and amortization	6, 7	2 743 370	2 325 061
Impairment loss	6	0	227 611
Other operating expenses	4	9 166 526	9 771 597
Total expenses		**41 885 293**	**36 234 537**
Operating profit		**-19 256 653**	**-25 401 120**
Financial income and expenses			
Interest income from group companies	2	289 774	137 161
Other interest income		269 968	459 052
Other financial income		67 527	76 984
Other interest expenses	7, 8	419 358	318 369
Other financial expenses		189 250	299 730
Net financial items		**18 662**	**55 097**
Net profit before tax		-19 237 992	-25 346 023
Income tax expense	9	0	0
Net profit after tax		**-19 237 992**	**-25 346 023**
Net profit or loss	**10, 11**	**-19 237 992**	**-25 346 023**
Other comprehensive income			
Total other comprehensive income		**0**	**0**
Total comprehensive income		**-19 237 992**	**-25 346 023**
Attributable to			
Transferred from share premium		19 237 992	25 346 023
Total		**-19 237 992**	**-25 346 023**

Balance sheet

M Vest Water AS

Assets	Note	2024	2023
Non-current assets			
Intangible assets			
Capitalized development costs	6	13 064 080	10 212 195
Patents and trademarks	6	8 196 627	6 927 010
Total intangible assets		**21 260 707**	**17 139 205**
Machinery and equipment	6	5 497 645	5 788 742
Equipment and other movables	6	3 813 506	4 507 274
Office facilities (Right of use Asset)	6, 7	1 742 907	2 626 990
Total property, plant and equipment		**11 054 058**	**12 923 006**
Investments in subsidiaries	12	254 963	254 963
Non-current receivables to group companies	2, 13	10 112 300	3 841 478
Other non-current receivables	13	0	1 660 621
Total non-current financial assets		**10 367 262**	**5 757 061**
Total non-current assets		**42 682 027**	**35 819 272**
Current assets			
Inventories	3	727 135	740 796
Debtors			
Accounts receivables	8	3 046 933	1 536 910
Other current receivables		586 984	1 239 040
Total receivables		**3 633 916**	**2 775 950**
Cash and cash equivalents	14	1 152 929	5 426 278
Total current assets		**5 513 981**	**8 943 025**
Total assets		**48 196 008**	**44 762 297**

Balance sheet

M Vest Water AS

Equity and liabilities	**Note**	**2024**	**2023**
Equity			
Paid-in capital			
Share capital	10, 11, 15	74 483	66 475
Share premium reserve	10	37 141 746	29 582 542
Share option based plan	5, 10	1 847 160	843 854
Total paid-up equity		**39 063 389**	**30 492 871**
Total equity	**10, 16**	**39 063 389**	**30 492 871**
Liabilities			
Liabilities to financial institutions	8	0	750 013
Other non-current liabilities	5, 7	522 240	1 569 243
Total non-current liabilities		**522 240**	**2 319 256**
Current liabilities			
Liabilities to financial institutions	8	750 013	999 996
Trade payables		2 737 892	1 312 380
Public duties payable		1 608 103	2 112 841
Other current liabilities	7, 8	3 514 371	7 524 952
Total current liabilities		**8 610 379**	**11 950 170**
Total liabilities		**9 132 619**	**14 269 426**
Total equity and liabilities		**48 196 008**	**44 762 297**

Bergen, March 11th, 2025
The board of M Vest Water AS

Atle Mundheim
Atle Mundheim
Member of the board

Tor Olav Gabrielsen
Tor Olav Gabrielsen
Executive Chairman/General Manager

Rune Gaasø
Rune Aslak Gaasø
Chairman of the board

M Vest Water Parent

Parent Cash Flow Statement

		FY 2024	FY 2023
	Cash flow from operating activities		
	Profit/(loss) before income tax	-19 237 992	-25 346 023
+	Depreciation, amortization	2 743 370	2 325 061
+	Impairment	0	227 611
+	Provision for obsolete raw materials and goods	253 885	0
+	Share based payment expenses	1 003 306	843 854
+/-	(Increase)/decrease in inventories	-240 224	509 763
+/-	(Increase)/decrease in trade receivables	-1 510 023	-941 168
+/-	(Increase)/decrease in other receivables	2 312 677	-1 547 849
+/-	Increase/(decrease) in other liabilities	-1 640 264	723 036
+/-	Increase/(decrease) in trade and other payables	-703 559	351 227
+/-	Changes in other accruals	0	531 447
=	**Net cash flow from operating activities**	-17 018 824	-22 323 041
	Cash flow from investment activities		
+	Capital expentitures PPE	-279 306	-294 704
-	Capital expentitures patents, R&D	-4 206 372	-4 033 361
=	**Net cash flow from investment activities**	-4 485 678	-4 328 065
	Cash flow from financing activities		
-	Installments borrowings credit institutions	-999 996	-1 288 751
-	Loan to group company	-6 270 822	-3 118 911
+/-	Loan from owners	5 839 380	2 000 000
+	Increase in paid-in share capital	20 000 000	0
-	Transaction costs on share capital increase	-1 337 413	0
=	**Net cash flow from financing activities**	17 231 149	-2 407 662
=	**Net (decrease)/increase in cash and cash equivalents**	-4 273 353	-29 058 768
+	Cash and equivalents at beginning of the period	5 426 278	34 485 046
=	**Cash and equivalents at end of the period**	1 152 929	5 426 278

Note Summary of Significant Accounting Policies

M Vest Water AS (MVW), was founded in 2014 and is incorporated and domiciled in Bergen, Norway. The address of its registered office is Espehaugen 54, 5258 Blomsterdalen. MVW is an environmental technology company which has developed unique products and solutions for the water treatment industry, both for the industrial as well as the municipal markets. The products are non-toxic, biodegradable and can be left in nature without any harm to the environment. They obtain the highest degree of purification in a cost-efficient arrangement.

Basis for preparation of the financial statements
The MVW's consolidated financial statements have been prepared in accordance with Section 3-9 of the Accounting Act (Norway) and the Regulations on Simplified IFRS enacted by the Norwegian Ministry of Finance on 21 January 2008. This primarily means that recognition and measurement follow international accounting standards (IFRS) while the presentation of the accounts and the information provided in the notes are in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway.

The consolidated financial statements of MVW for the fiscal year 2024 were authorized for issue by the Board of Directors on the 11th of March 2025.

Please note: If not otherwise stated, the principles for 'group and parent' apply throughout, even when 'group' is referenced.

Functional currency and presentation currency
The functional currency is determined in each entity in the group based on the currency within the entity's primary economic environment. Transactions in foreign currency are translated to functional currency using the exchange rate at the date of the transaction.

The group's presentation currency is NOK. This is also the parent company's functional currency. The subsidiary balance sheet in a different functional currency are translated at the exchange rate prevailing at the end of the reporting period (11,795 EUR/NOK per 31.12.24), and the exchange rate at the date of the transaction for profit and loss items.

Consolidation principles
The group's consolidated financial statements comprise the parent company and it's subsidiary as of December 31, 2024. An entity has been assessed as being controlled by the group when the group is exposed for or have the rights to variable returns from its involvement with the entity, and has the ability to use its power over the entity to affect the amount of the group's returns.

Thus, the group controls an entity if and only if the group has all the following:
- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of the group's returns. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The use of estimates and assessment of accounting policies when preparing the financial statements
The management has used estimates and assumptions that have affected assets, liabilities, incomes, and expenses. This particularly applies to the depreciation and valuation of tangible and intangible fixed assets.

Future events may lead to these estimates being changed. Estimates and their underlying assumptions are reviewed on a regular basis and are based on best estimates and historical experience.

The management has, when preparing the financial statements; made certain significant assessments based on critical judgment when it comes to application of the accounting principles.

The main areas where judgements and estimates have been made are described in each of the following notes:
Note 5 Share option based plan
Note 6 Intangible assets, machinery, equipment/other movables and right of use assets
Note 7 Leasing
Note 8 Tax

Current versus non-current classification
The group presents assets and liabilities in the consolidated statement of financial position as either current or non-current. Current assets and liabilities normally include items that fall due for payment within one year of the balance sheet date. All other liabilities are classified as non-current, including deferred tax.

Interest-bearing debt
Interest-bearing debt are recognized initially at fair value less transaction costs.

Subsequent to initial recognition, interest-bearing debts are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the debt on an effective interest basis.

In addition, materiality considerations would be relevant in assessing any recalculation of debt from nominal value to amortized cost.

Tax
The tax expense consists of the tax payable and changes to deferred tax.

Deferred tax assets are recognized when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilize the tax asset.

Deferred tax and deferred tax assets are measured on the basis of the enacted or substantively enacted tax rates applicable to the companies in the group where temporary differences have arisen.

Deferred tax and deferred tax assets are recognized at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet.

Research and development
Expenses relating to development activities are capitalized to the extent that the product or process is technically and commercially viable and the group has sufficient resources to complete the development work. Development expenses that are capitalized include the costs of materials, direct wage costs and a share of the directly attributable common expenses. After initial recognition, an intangible asset shall be carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Expenses relating to research, together with development activities that do not identify a future financial advantage for the group, are recognized in the statement of comprehensive income as they incur.

Capitalized development costs are amortized on a straight-line basis over the estimated useful life of the asset.

Intangible assets
Intangible assets that have been acquired separately are recognized at cost. Capitalized intangible assets are recognized at cost less any amortization and impairment losses. Internal generated intangible assets, excluding capitalized development costs, are not capitalized but are expensed as occurred.

The economic life is either definite or indefinite. Intangible assets with a definite economic life are amortized over their economic life and tested for impairment if there are any indications. The amortization method and period are assessed at least once a year. Changes to the amortization method and/or period are accounted for as a change in estimate.

Intangible assets with an indefinite economic life are tested for impairment at least once a year, either individually or as a part of a cash-generating unit. Intangible assets with an indefinite economic life are not amortized. The economic life is assessed annually with regard to whether the assumption of an indefinite economic life can be justified. If it cannot, the change to a definite economic life is made prospectively.

Classification and valuation of fixed assets
After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation. When assets are sold or disposed of, the carrying amount is de-recognized and any gain or loss is recognized in the statement of comprehensive income.

The cost of tangible non-current assets is the purchase price, including taxes/duties and costs directly linked to preparing the asset ready for its intended use. Costs incurred after the asset is in use, such as regular maintenance costs, are recognized in the statement of comprehensive income, while other costs that are expected to provide future financial benefits are capitalized.

Machinery and equipment are depreciated over the asset's economic lifetime. The depreciation period and method are assessed each year. Assets under construction are classified as non-current assets and recognized at cost until the production or development process is completed.

Assets under construction are not depreciated until the asset is taken into use. Property, plant and equipment are written down to a recoverable amount in the case of fall in value which is expected not to be temporary. The recoverable amount is the higher of the net sale value and value in use. Value in use is the present value of future cash flows related to the asset. Write-downs are reversed when the basis for the write-down is no longer present.

Leases
At the inception of a contract, The group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the lease commencement date, the group recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:
- Short-term leases (defined as 12 months or less).
- Low value leases, the Group recognizes the lease payments as other operating expenses in the statement of profit or loss when they incur.

Lease liabilities
The lease liability is recognized at the commencement date of the lease. The group measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date.

The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the group is reasonably certain to exercise this option. The group presents its lease liabilities under other (non-)current liabilities in the balance sheet.

Share option based plan

Key employees receive share options as part of their compensation. The fair value at the grant date is recognized as equity-settled share-based payment (IFRS 2).

Right-of-use assets

The Group measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any re-measurement of lease liabilities.

The Group applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Revenue

The Group recognizes revenue from the sale of goods at the point in time when control of the goods is transferred to the customer. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits from the asset, and the ability to prevent others from directing the use of and receiving the benefits from the asset. Revenue is generally recognized on delivery of the goods.

The Group provides services that are sold separately or bundled together with the sale of goods to a customer. Contracts for the bundled sale of goods and services that comprise of two performance obligations where each performance obligation constitute the sale of goods and services are recognised according to the relevant IFRS principles. The transaction price determined in the contract is allocated to the two performance obligations based on the relative stand-alone selling prices.

Government grants

Innovation Norway grants are treated as advances in the balance sheet and are capitalized on the project under fixed assets in line with the progress of the project. The company has not received operating grants, and the grant received from Innovation Norway is an investment grant. More specifically, the grant (45 % of the investment) is deducted from the carrying amount of the asset. The investment itself is booked net (gross investment less share of grants corresponding to investment). The conditions for the grant has been fulfilled.

Shares in subsidiaries

Investment in subsidiaries are valued in accordance with the cost method of accounting, and an impairment is recorded if the carrying amount exceeds the investments fair value.

Inventories

Inventories are recognized at the lowest of cost or net realisable value. The net realisable value is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location. In-house produced goods include variable costs and fixed costs that can be allocated based on normal capacity utilization.

Accounts receivables and other receivables

Receivables arise from the sale of goods and services within the normal operating cycle. Receivables expected to be settled within one year are classified as current assets, while those with a longer maturity are classified as financial assets. Trade and other receivables without a significant financing component are measured at the transaction price upon initial recognition, less provision for expected losses. Provisions for losses are made based on an individual assessment of each receivable.

Financial assets

The Group’s financial assets are initially recognized at fair value plus transaction costs and subsequently measured at amortized cost. Financial assets at amortized cost are assessed for impairment by recognizing an allowance for expected credit losses (ECLs). For trade receivables, the Group applies a simplified approach, estimating lifetime ECLs at each reporting date based on historical losses adjusted for forward-looking factors. ECLs are determined by the difference between contractual cash flows and expected cash flows, discounted at an approximation of the asset’s original EIR.

Defined contribution plan

The Group has a defined contribution pension plan for its employees which satisfies statutory requirements. The scheme is a defined contribution plan where contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Cash and cash equivalents

Cash includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be immediately converted into a known amount of cash and have a maximum term to maturity of three months.

Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

Events after the reporting period

New information on the company's financial position on the end of the reporting period which becomes known after the reporting period is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position on the end of the reporting period but which will affect the company's financial position in the future are disclosed if significant.

Note 1 Revenue

M Vest Water offers a wide range of products for water treatment that remove oil and suspended particles from water.

Parent

By business area	2024	2023
Oil and Gas	978 453	2 305 776
Aquaculture	21 621 097	7 309 395
Municipal	0	29 174
Other	29 090	1 189 072
Total	**22 628 640**	**10 833 417**

Geographic breakdown		
Norway	20 224 636	10 781 402
Germany	0	29 174
Denmark	0	22 841
Iceland	2 282 552	0
Austria	98 399	0
Oman	23 053	0
Total	**22 628 640**	**10 833 417**

Group

By business area	2 024	2 023
Oil and Gas	978 453	2 305 776
Aquaculture	21 621 097	7 309 395
Municipal	0	203 673
Other	85 139	1 189 072
Total	**22 684 689**	**11 007 916**

Geographic breakdown		
Norway	20 224 636	10 781 402
Denmark	0	22 841
Germany	0	203 673
Iceland	2 282 552	0
Austria	98 399	0
Switzerland	56 049	0
Oman	23 053	0
Total	**22 684 689**	**11 007 916**

Note 2 Intercompany balances

Parent

Transactions	**2024**	**2023**
Sale of goods to M Vest Water GmBH	0	29 174
Interests on Loan to M Vest Water GmBH*	289 774	137 161

	2024	**2023**
Loan to M Vest Water GmBH*	10 112 300	3 841 478

*There are no fixed terms for the repayment of loans between the parties. Interests are at arm's length.

Group

Balances and transactions between the parent and its subsidiary has been eliminated in consolidation.

Note 3 Inventory

Parent

Goods and materials	**2024**	**2023**
Raw materials	579 956	472 870
Provision for obsolete raw materials	-237 495	0
Finished self-produced and purchased goods for sale	401 064	267 927
Provision for obsolete finished and purchased goods for sale	-16 390	0
Total	**727 135**	**740 796**

Inventory is measured at cost amounting to NOK 981 020, with a provision for obsolescence of NOK 253 885, resulting in a net carrying amount of NOK 727 135.

Group

Goods and materials	**2024**	**2023**
Raw materials	625 793	472 870
Provision for obsolete raw materials	-237 495	0
Finished self-produced and purchased goods for sale	662 750	267 927
Provision for obsolete finished and purchased goods for sale	-56 513	0
Total	**994 535**	**740 796**

Inventory is measured at cost amounting to NOK 1 288 543, with a provision for obsolescence of NOK 294 008, resulting in a net carrying amount of NOK 994 535.

Note 4 Employee Benefits and Expenses and Auditor´s Remuneration

Parent

	2024	2023
Salaries	14 916 047	14 841 851
Payroll tax	2 473 266	2 524 581
Pensions	917 554	885 617
Other benefits	1 455 502	1 193 521
Total employee expenses	19 762 369	19 445 570
Capitalized employee expense	-2 094 172	-1 963 881
Man-years	**11,75**	**12,15**

Group

	2024	2023
Salaries	18 351 453	16 506 530
Payroll tax	2 757 263	2 727 932
Pension	947 430	885 617
Other benefits	1 455 502	1 131 960
Total employee expenses	**23 511 648**	**21 252 039**
Capitalized employee expense	-2 094 172	-1 963 881
Man-years	**13,00**	**13,15**

Employee benefits expense and capitalized employee expense are presented in gross numbers in the Income statement.

Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act. Twelve employees are covered by the scheme in 2024.

Remuneration to leading personnel	Chief Executive officer	Board
Salaries	2 191 667	937 500
Other remuneration	15 320	0
Total	**2 206 987**	**937 500**

In July 2024, the company's CEO decided to step down from the position for retirement purposes. Starting August 1st, 2024, the CEO received salary for six months, including the notice period.

The recruitment process to find a suitable successor is ongoing. During the transition period, the Chairman of the Board is serving as the interim CEO without receiving any additional compensation beyond board remuneration.

The company does not expect any material financial impact as a result of the CEO's departure after year-end.

Share option based plan

MVW has granted share options to key employees at 31.01.2023 and 31.01.2024 (ref. note 5).

Auditor

Audit fees expensed for 2024 amount to NOK 590 408. In addition there is a fee for other services (services required by Law) of NOK 54 138. The amounts are exclusive of VAT.

Note 5 Share based option plan

Parent/Group

In January 2023 and 2024, MVW granted share options to key employees. The 2023 grant has been adjusted due to an estimated change related to the turnover rate.

The option holders may exercise vested options during the period of 15 Norwegian business days from the 1st of April each year. Each option, when exercised, give the right to subscribe for one share in the company at an exercise price defined in the option plan. As of 31.12.2024, ten employees held share options.

The options are granted under the plan for no consideration and carry no dividend or voting rights before exercise of the options. The value of the options is determined at grant dates. The expected number of options exercised is estimated using an expected turnover on a yearly basis. The estimated cost is expensed over the vesting period.

Movements during the year	Average exercise price per share option	Number of options
As at 1 January 2024	15,00	350 000
Granted in January 2024	8,70	585 000
Exercised during the year	0	0
Forfeited during the year	12,00	-210 000
Expired during the year	0	0
As at 31 December 2024	**10,79**	**725 000**

Shares options held by group management and board members:	Number of options per 31.12.2024
Atle Mundheim (Board member and CTO)	180 000
Morten Hilton Thomassen (CFO)	170 000
Total	**350 000**

Personell expenses - share based remuneration:	2024
Share based renumeration (salary)	1 003 306
Share based renumeration (social security tax)	140 000
Total	**1 143 306**

The options granted shall vest with 1/3 upon the first anniversary of the grant date (31.01.2024/31.01.2025), 1/3 on the second anniversary of the grant date (31.01.2025/31.01.2026) and 1/3 on the third anniversary of the grant date (31.01.2026/31.01.2027). Each option expires on the third anniversary of its vesting date.

Applied assumptions and inputs in the valuation of the options

The value of the options is determined at the grant dates by applying the Black-Scholes option pricing model. The Black-Scholes model considers the share price at the grant date, time until execution, exercise price, risk-free interest rate and volatility. In addition, the value is adjusted with respect to expected turnover, as share options which belongs to employees who resigns will be terminated.

Grant date	31.01.2024	31.01.2023
Dividend yield (%)	0 %	0 %
Volatility (%)	60,94 %	67,17 %
Risk free interest rate (%)	3,46 %	3,46 %
Share price (NOK)	8,70	10,00
Date of exercise	Latest possible	Latest possible
Benefit cap per option	100	100
Average estimated fair value per option at grant date	4,7360	4,8731

Dividend yield:
The company is assumed to not pay any dividends in the period until the exercise of the options.

Volatility:
The volatility is estimated by annualizing the daily standard deviation for the stock, from IPO to the grant date of each individual option.

Risk free interest rate:
The risk-free interest rate is set equal to the interest rate on government bonds at with corresponding duration at the grant date.

Share price:
Latest available share price at the grant date.

Note 6 Intangible assets, Machinery, Equipment and Right-of-use-Assets (ROA)

Parent

	Capitalized development costs	**Patents and trademarks**	**Machinery and equipment**	**Equipment and other movables**	**Right of use assets (IFRS 16)**	**Totals**
Acquisition cost 01.01.2024	10 212 195	7 492 929	6 001 945	6 222 556	5 749 607	35 679 232
Additions salaries	2 851 885		0		0	2 851 885
Additions: invoice expenses		1 354 487	96 886	182 420		1 633 792
CPI adj. leasing					510 247	510 247
Acquisition cost 31.12.2024	13 064 080	8 847 416	6 098 831	6 404 976	6 259 854	40 675 156
Acc. depreciation and amortization 31.12.2024	0	-423 180	-601 185	-2 591 469	-4 516 947	-8 132 781
Acc.Impairment 31.12.2024		-227 611				-227 611
Net booked amount 31.12.2024	**13 064 080**	**8 196 627**	**5 497 645**	**3 813 506**	**1 742 907**	**32 314 763**
This year`s depreciation and amortization	-	-84 869	-387 983	-876 188	-1 394 331	-2 743 370
This year`s impairment	0	0	0	0	0	0
Useful economic life	Indefinite	3 yrs **1**) / Indefinite	15 yrs **2)**	3-10 yrs	5 yrs	
Depreciation method	Annual impairment	Linear/Annual impairment	Linear	Linear	Linear	

Group

	Capitalized development costs	Patents and trademarks	Machinery and equipment	Equipment and other movables	Right of use assets (IFRS 16)	Totals
Acquisition cost 01.01.2024	10 212 195	7 492 929	6 001 945	6 636 173	7 251 766	37 595 009
Additions salaries	2 851 885		0		0	2 851 885
Additions: invoice expenses		1 354 487	96 886	799 056	0	2 250 428
CPI adj. lease					682 708	682 708
Acquisition cost 31.12.2024	13 064 080	8 847 416	6 098 831	7 435 229	7 934 474	43 380 029
Acc. depreciation and amortization 31.12.2024	0	-423 180	-601 185	-2 753 756	-5 044 882	-8 823 003
Acc. impairments 31.12.2024		-227 611				-227 611
Net booked amount 31.12.2024	**13 064 080**	**8 196 627**	**5 497 645**	**4 681 473**	**2 889 592**	**34 329 417**
This year`s depreciation and amortization	-	-84 869	-387 983	-959 127	-1 650 857	-3 082 835
This year`s impairment		0				0
Useful economic life	Indefinite	3 yrs **1)** / Indefinite	15 yrs **2)**	3-10 yrs	5 yrs	
Depreciation method	Annual impairment	Linear/Annual impairment	Linear	Linear	Linear	

1) Capitalized website costs are depreciated on a straight-line basis over a period of 3 years.

2) The mobile container Norwamix has been fully delivered and depreciation started July 2023.

Research and Development, Patents and Trademarks

The company's research and development activities encompass several innovative solutions for water treatment, including development of products, equipment, and processes. The cost of internally generated intangible assets includes all directly attributable expenses required to design, produce, and prepare the asset for its intended operational use as determined by management. Examples of such directly attributable costs include:

- Expenses for materials and services consumed during the creation of the intangible asset.
- Employee benefits (as defined in IAS 19) directly related to the asset's development.
- Fees for registering legal rights.
- Amortization of patents and licenses necessary for generating the intangible asset.

Development costs recognized in the statement of comprehensive income for the period are estimated at NOK 9.5 million.

Machinery and Equipment

The company received grants totaling NOK 5.1 million from Innovation Norway to support the development of the Norwamix machine. The machine was successfully delivered, tested, and the project completed and reported during the first half of 2023. The estimated useful life of the Norwamix machine is 15 years, with depreciation commencing in mid-2023.

Right-of-Use Assets (ROA) and Lease Liabilities (IFRS 16)

Following the adoption of simplified IFRS as of January 1, 2021, MVW has recognized its office facilities in Norway and Germany as lease contracts under IFRS 16. The lease agreement includes CPI adjustments set to take effect in Q1 2024.

Depreciation, amortization and impairment
The Group applies a straight-line depreciation method for its machinery and equipment, allocating the expense evenly over their estimated useful lives.

Intangible assets within the Group are considered to have indefinite useful lives, except for capitalized website costs. The determination that these assets have an indefinite useful life is based on factors such as their expected ability to generate economic benefits over an indefinite period, the absence of foreseeable obsolescence, and the continuous relevance of the assets to the Group's operation, long-term strategy and market position. Assets expected to generate economic benefits over an indefinite period, are not amortized. Instead, an annual impairment test (IAS 36) is conducted to evaluate their value. The impairment test for ongoing capitalized development was based on the projected future cash flows over a 10-year horizon. The cash flow projected includes both anticipated recurring and non-recurring revenues, assuming an annual growth in recurring revenue with a gradually declining growth rate. The discount rate applied was 10% post-tax (approximately 12.8% pre-tax).

For the current financial year, there have been no indications of impairment concerning the company's intangible assets, machinery, or other equipment.

No impairments, losses, or reversals of previous write-downs have been recorded in prior years, apart from an impairment of activated software.

Note 7 Leases

Right-of-Use Assets (ROA) and Lease Liabilities (IFRS 16)

As part of the implementation of Simplified IFRS, effective from January 1, 2021, MVW has recognized its office facilities as a lease arrangement in accordance with IFRS 16.

Parent

Right-of-Use Assets (ROA	**Office facilities**	**Total**
Acquisition cost 01.01.2024	5 749 607	5 749 607
Additions (CPI adjustment 1.1.2024)	510 247	510 247
Acquisition cost 31.12.2024	6 259 854	6 259 854
Acc. amortization 31.12.2024	4 516 947	4 516 947
Net booked amount 31.12.2024	1 742 907	1 742 907
This year`s amortization	1 394 331	1 394 331

Group

Right-of-Use Assets (ROA	**Office facilities**	**Total**
Acquisition cost 01.01.2024	7 251 766	7 251 766
Additions (CPI adjustment 1.1.2024)	682 708	682 708
Acquisition cost 31.12.2024	7 934 474	7 934 474
Acc. amortization 31.12.2024	5 044 882	5 044 882
Net booked amount 31.12.2024	2 889 592	2 889 592
This year`s amortization	-1 650 857	-1 650 857

The right-of-use assets (ROA) are amortized over the lease term and are subject to impairment testing. The office lease agreements include extension options or cancellation clauses, and the non-cancellable lease period forms the basis for the measurement of lease liabilities.

Parent

Lease liabilities	**Total**
At initial application 01.01.2021	5 837 757
New lease liabilities recognised in the year (CPI adjustment)	510 247
Principal portion of the lease liability	-5 147 822
Interest expense on lease liability	673 834
Net booked amount 31.12.2024	1 874 016

Lease liabilities maturity	
< 1 year	1 491 776
1- 2 years	382 241
2 - 3 years	0
Total	1 874 016

Group

Lease liabilities	**Total**
At initial application 01.01.2021	5 837 757
New lease liability German subsidiary 01.01.2023	1 502 159
New lease liabilities recognised in the year (CPI adjustment)	682 708
Principal portion of the lease liability	-5 789 355
Interest expense on lease liability	832 056
Net booked amount 31.12.2024	3 065 345

Lease liabilities maturity	**Amount**
< 1 year	1 771 904
1- 2 years	673 654
2 - 3 years	304 423
3 - 4 years	315 364
>4 years	0
Total	3 065 345

Lease liabilities under IFRS 16 are measured at the present value of future lease payments, discounted using the lessee's incremental borrowing rate at the lease commencement date. Office rent obligations due within 12 months are classified as short-term liabilities.

The company has elected to apply recognition exemptions for lease contracts that, at the commencement date, either (i) have a lease term of 12 months or less and do not contain a purchase option ("short-term leases") or (ii) relate to underlying assets of low value ("low-value assets").

For the lease of the headquarters in Bergen, Norway, the agreement specifies a lease term of 5 years, with an option to extend for an additional 3+2 years. Any extension must be agreed upon at least 6 months before the lease term expires. The office lease in Germany includes an automatic renewal for one year unless terminated at least 6 months before the end of the term. Neither agreement includes a right to purchase the leased assets.

Note 8 Liabilities to Financial Institutions and Owners

Group/Parent:

Liabilities to credit institution:

	Effective interest rate	Maturity date	31.12.2024	31.12.2023
Liabilities secured by mortgages and guarantees				
Non-current loan to credit institutions (5 years)	4,5 %	Oct 25	750 013	1 750 009
Total non-current liabilities excl. lease liability			**750 013**	**1 750 009**

Liabilities to credit institutions are secured by the following assets:		
Customer receivables	3 046 933	1 536 910
Total	**3 046 933**	**1 536 910**

Changes in liabilities to credit institutions from last quarter consist exclusively of monthly instalments of 83 thousand NOK. One-year instalments are reclassified to current liabilities in the annual accounts.

A guarantee from Innovation Norway has been secured, covering 75% of the credit, adjusted for other collateral (loss guarantee). The bank loan is granted against a mortgage with a nominal value of 5 million NOK in accounts receivables.

Unutilized cash credit:
In addition, the company has an unutilized overdraft facility of 5 million NOK issued by the bank, secured by inventory (10 million NOK), operating equipment (10 million NOK), and accounts receivable (10 million NOK). The loan draw-down cannot exceed 60 % of the value of executed contracts, accounts receivable, and inventory.

There are no other pledges, collateral, or guarantees associated with the company's debt to credit institutions.

Loan facility from owners:

Unsecured debt	Maturity date	31.12.2024	31.12.2023
Loan facility from owners	Dec 24	0	2 000 000
Total current liabilities from owners		**0**	**2 000 000**

In December 2023, the company entered into a loan agreement with its main shareholders, establishing a loan facility with a limit of NOK 12 million. As of December 31, 2023, NOK 10 million remained undrawn.

In 2024, the company utilized three additional tranches under the facility before executing a debt conversion on April 23, 2024, converting outstanding shareholder loans totaling NOK 8.1 million into 1,017,827 new shares at a subscription price of NOK 8.00 per share (see Note 9). Following the debt conversion, the company had no outstanding shareholder loans as of December 31, 2024.

Liabilities due in > 5 years:

	2024	2023
Liabilities due in > 5 years:	**0**	**0**
Total	**0**	**0**

Note 9 Tax

Parent

This year's tax expense	2024	2023
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Tax expense on ordinary profit/loss	**0**	**0**
Taxable income:		
Ordinary result before tax	-19 237 992	-25 346 023
Permanent differences	-250 558	93 425
Changes in temporary differences	-136 309	-835 042
Taxable income	**-19 624 858**	**-26 087 639**
Changes in deferred tax assets		
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	**0**	**0**

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

	2024	2023	Difference
Tangible assets	1 687 435	1 169 162	-518 272
Inventory	-253 885	0	253 885
Lease agreements brought to the balance	-131 109	-143 031	-11 922
Allocations and more	-140 000	0	140 000
Total	**1 162 441**	**1 026 131**	**-136 309**
Accumulated loss to be brought forward	-103 280 152	-83 655 294	19 624 858
Not included in the deferred tax calculation	102 117 711	82 629 163	-19 488 548
Deferred tax assets (22 %)	**0**	**0**	**0**

Group

This year's tax expense	2024	2023
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Tax expense on ordinary profit/loss	**0**	**0**
Taxable income:		
Ordinary result before tax	-24 529 502	-28 317 355
Permanent differences	-250 558	93 425
Changes in temporary differences	-136 309	-835 042
Taxable income	**-24 916 369**	**-29 058 972**
Changes in deferred tax assets		
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	**0**	**0**

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

	2024	2023	Difference
Tangible assets	1 687 435	1 169 162	-518 272
Inventory	-253 885	0	253 885
Lease agreements brought to the balance	-131 109	-143 031	-11 922
Allocations and more	-140 000	0	140 000
Total	**1 162 441**	**1 026 132**	**-136 309**
Accumulated loss to be brought forward	-112 036 497	-87 120 127	24 916 369
Not included in the deferred tax calculation	110 874 056	86 093 995	-24 780 061
Deferred tax assets (22 %)	**0**	**0**	**0**

Until commencement of sale/agreement has reached a profitable level, the group will not record any deferred tax asset related to its tax loss carried forward and other temporary differences There are no time limitation in Norway for utilization of historical tax losses.

Note 10 Equity

Parent

	Share capital	Share premium	Share option based plan	Total equity
As at 31.12.2023	66 475	29 582 542	843 854	30 492 871
As at 01.01.2024	**66 475**	**29 582 542**	**843 854**	**30 492 871**
Share capital increase *)	5 691	19 994 309		20 000 000
Debt conversion *)	2 317	8 140 299		8 142 616
Cost share capital increase*)		-1 337 413		-1 337 413
Share option program **)			1 003 306	1 003 306
Total comprehensive income		-19 237 992		-19 237 992
As at 31.12.2024	**74 483**	**37 141 746**	**1 847 160**	**39 063 389**

Group

	Share capital	Share premium	Translation reserve	Share option based plan	Total equity
As at 31.12.2023	66 475	26 104 461	13 249	843 854	27 028 038
Translation reserve corr.		664		0	664
As at 01.01.2024	**66 475**	**26 105 125**	**13 249**	**843 854**	**27 028 702**
Share capital increase *)	5 691	19 994 309			20 000 000
Debt conversion *)	2 317	8 140 299			8 142 616
Cost share capital increase*)		-1 337 413			-1 337 413
Share option program **)				1 003 306	1 003 306
Total comprehensive income		-24 525 898			-24 525 898
Translation reserve **)			-3 605		-3 605
As at 31.12.2024	**74 483**	**28 376 423**	**9 644**	**1 847 160**	**30 307 710**

*) On April 23, 2024, M Vest Water raised NOK 20,000,000 in gross proceeds through a private placement of 2,500,000 new shares at a subscription price of NOK 8.00 per share. In conjunction with the private placement, the company reached an agreement with two of its shareholders to convert their outstanding shareholder loans, totaling NOK 8,142,616, into 1,017,827 additional offer shares, also priced at NOK 8.00 per share.

**) On January 31, 2023, and January 31, 2024, MVW granted share options to key employees. Further details can be found in Note 5.

Note 11 Earnings per Share

Group

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year (note 15).

Basic earnings per share continuing operations	2024	2023
Profitt/(loss) attributable to equity holders of the company	-24 525 898	-28 343 189
Weighted average number of ordinary share in issue	31 545 218	29 200 000
Basic earnings per share (NOK per share)	-0,7775	-0,9707

The total outstanding amount of shares in the company was 32.717.827 common shares at 31 Dec 2024 with a nominal value of 0,002276522765 per share. There are only one share class.

Note 12 Investment in Subsidiaries

Parent

Investment in subsidary	Net book value
M Vest Water GmbH	254 963

M Vest Water AS owns 100% of the shares in M Vest Water GmbH, which gives M Vest Water AS 100 % of the votes in the company.

M Vest Water GmbH was founded in the second quarter of 2022, and has its registered office in the Bavaria region in Germany.

The annual result of the subsidiary in 2024 was NOK -5 287 906. The book value of equity capital as at 31.12.2024 was NOK -8 500 715.

Note 13 Non-current Receivables

Parent

Other non-current receivables	2024	2023
Amount maturing in > 1 year	0	0
Total	**0**	**0**

Non-current receivables to group companies	2024	2023
Repayment as liquidity permits, no fixed repayment terms (ref. note 2)	10 112 300	3 841 478
Total	**10 112 300**	**3 841 478**

Group

Other non-current receivables	2024	2024
Amount maturing in > 1year	70 770	0
Total	**70 770**	**0**

Note 14 Restricted Funds, Deduction Facility

Parent/Group

Cash and cash equivalents include restricted bank deposits of NOK 0.

M Vest Water AS holds a tax deduction guarantee.

Note 15 Shareholders

Parent

The total number of shares in MVW at 31 Dec 2024			
Ordinary shares	32 717 827	0,00227652276	74 483
Total	**32 717 827**	**0,00227652276**	**74 483**

Ownership structure

Largest shareholders per 31 Dec 2024

	Number of shares	Owner interest	Share of votes
M Vest Invest AS	11 062 216	33,8 %	33,8 %
Haugland Gruppen AS	5 362 089	16,4 %	16,4 %
J.P Morgan SE	2 688 000	8,2 %	8,2 %
Atlichka Holding AS *)	1 837 860	5,6 %	5,6 %
Bank Pictet & Cie (Europe) AG	1 602 471	4,9 %	4,9 %
M Vest Energy AS	1 366 667	4,2 %	4,2 %
Slothe-Holding AS	1 110 886	3,4 %	3,4 %
SK Tufta Holding AS	788 223	2,4 %	2,4 %
J.P. Morgan SE	590 517	1,8 %	1,8 %
Nordnet Livsforsikring AS	537 571	1,6 %	1,6 %
Jarb Holding AS	425 752	1,3 %	1,3 %
Silvercoin Industries AS	400 000	1,2 %	1,2 %
Gallardo Holding AS	395 100	1,2 %	1,2 %
Statthav AS	363 073	1,1 %	1,1 %
M Vest AS	331 990	1,0 %	1,0 %
Other ownership < 1 %	3 855 412	12,0 %	12,0 %
	32 717 827	**100 %**	**100 %**

*) Board member and CTO Atle Mundheim has 100 % ownership in Atlichka Holding AS.

Note 16 Going concern

The Board of Directors confirms that the annual financial statement for 2024 has been prepared under the assumption that MVW is a going concern.

At end of 2024, the recorded equity was NOK 30 307 710 (NOK 39 063 389), and the free cash was NOK 1 244 400. The company has an unutilized overdraft facility of NOK 5 000 000, in accordance with note 8. In addition, the company has in March 2025 entered into a loan agreement with the company's main shareholders, with a loan limit of NOK 12 000 000. The loan will be disbursed in 4 tranches by 31.12.2025.

The company's strategy includes significant growth over the next years. Successful technological advancements and market acceptance in 2023 and 2024 give the company a good foundation for 2025. Cash burn was reduced in 2024 compared to the previous year, and the company expects a further reduction in 2025. The company has secured a substantial order reserve for 2025 and expects increased sales in 2025 within the company's priority industry segments.

The company has secured access to cash in short term, and there is currently adequate liquidity. However, as of the reporting date, there is no financing solution in place to cover operational risks as well as loan with the company's main shareholders maturing on 31.12.2025. The Board of Directors and management closely monitor the liquidity situation to ensure further adequate liquidity in the company and are exploring means of financing, which may include external financing. If the board and management do not succeed with the plans, there will be uncertainty associated with the company's ability to continue as a going concern.

Shareholder Information

MVW's objective is to provide positive value creation and long-term return to shareholders that reflects the inherent risk in the company. The company plans to achieve this by delivering on its business plan and through precise communication ensuring that the share price accurately reflects the value, and growth prospects, of the company.

Investor relations

Communicating with investors and analysts, both in Norway and internationally, is a high priority for MVW. The company's objective is to ensure that investors, potential investors, the market in general and other stakeholders gain simultaneous access to accurate, clear, relevant, and up-to-date information about MVW. To facilitate this, the company will hold quarterly presentations of its most recent quarterly results, with attendance from senior management. These presentations will be open to the investor community and the public and will also be available online. All investor relation activities are conducted in compliance with relevant rules, regulations, and recommended practices. MVW continually provides its investors, Oslo Stock Exchange, the securities market and financial market in general, with timely and precise information about MVW and its operations.

Corporate Governance

MVW considers good corporate governance to be a prerequisite for value creation and trustworthiness, and for access to capital. In order to secure strong and sustainable corporate governance, it is important that MVW ensures good and healthy business practices, reliable financial reporting and an environment of compliance with legislation and regulations across the company. MVW has governance documents setting out principles for how its business should be conducted.

References to certain more specific policies are included in this corporate governance policy, where relevant. MVW's governance regime is approved by the board of directors.

Share capital

On December 31, 2024, the share capital in the company was NOK 74 482.87799, divided into 32 717 827 shares with a nominal value of NOK 0.002277 per share. MVW has one class of shares, with each share carrying one vote. M Vest Invest AS was the largest share owner with 11 062 216, or 33.81%, of the share capital.

SHAREHOLDERS	SHARES	OWNERSHIP
M VEST INVEST AS	11 062 216	33,8 %
HAUGLAND GRUPPEN AS	5 362 089	16,4 %
J.P. MORGAN SE	2 688 000	8,2 %
ATLICHKA HOLDING AS	1 837 860	5,6 %
BANK PICTET & CIE (EUROPE) AG	1 602 471	4,9 %
M VEST ENERGY AS	1 366 667	4,2 %
SLOTHE-HOLDING AS	1 110 886	3,4 %
SK TUFTA HOLDING AS	788 223	2,4 %
J.P. MORGAN SE	590 517	1,8 %
NORDEA LIVSFORSIKRING AS	537 571	1,6 %
JARB HOLDING AS	425 752	1,3 %
SILVERCOIN INDUSTRIES AS	400 000	1,2 %
GALLARDO HOLDING AS	395 100	1,2 %
STATTHAV AS	363 073	1,1 %
OTHER OWNERSHIPS	4 187 402	12,8 %
TOTAL	32 717 827	100 %

Financial Calendar

GENERAL MEETING 2025
27.03.2025

QUARTERLY REPORT Q1 2025
15.05.2025

HALF-YEAR REPORT 2025
16.09.2025

QUARTERLY REPORT Q3 2025
18.11.2025

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To the General Meeting of M Vest Water AS

Independent Auditor's Report

Opinion

We have audited the financial statements of M Vest Water AS, which comprise:

- the financial statements of the parent company M Vest Water AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- the consolidated financial statements of M Vest Water AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

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

Offices in:

Oslo, Alta, Arendal, Bergen, Bodø, Drammen, Elverum, Finnsnes, Hamar, Haugesund, Knarvik, Kristiansand, Mo i Rana, Molde, Sandefjord, Stavanger, Stord, Straume, Tromsø, Trondheim, Tynset, Ulsteinvik, Ålesund

Material Uncertainty Related to Going Concern

We draw attention to Note 16 in the financial statements, which indicates that the Company does not have a financial solution in place to cover operational risk as well as debt maturing 31 December 2025. As stated in Note 16, these events or conditions, along with other matters as set forth in Note 16, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 11 March 2025

KPMG AS

Dejan Grahovac
State Authorised Public Accountant
(This document is signed electronically)

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Grahovac, Dejan
Statsautorisert revisor
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Serienummer: no_bankid:9578-5992-4-3022838
IP: 80.232.xxx.xxx
2025-03-11 14:30:16 UTC

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MVEST WATER