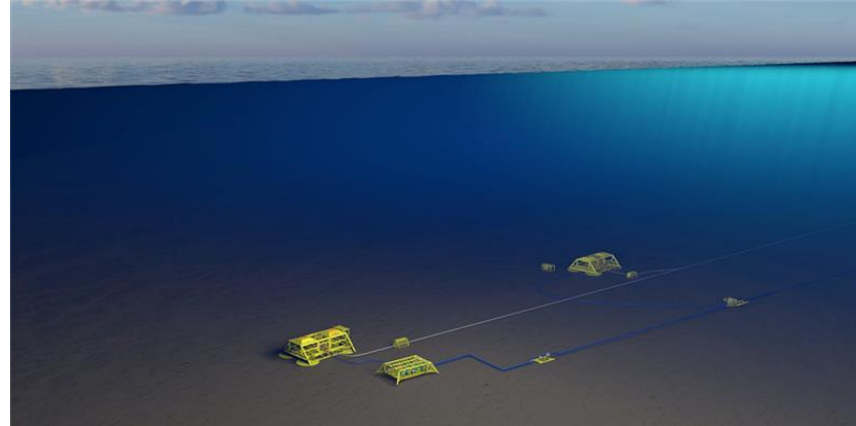


Second Quarter 2024

Interim report



About Horisont Energi

Horisont Energi's purpose is to become a leading clean energy company group contributing to the energy transition through pioneering projects. The Company's mission is to accelerate the transition to a carbon-neutral future. Time is of the essence for companies like Horisont Energi to deliver large-scale industrial projects.

Horisont Energi was founded in 2019, and the multinational electric utility group E.ON became a strategic investor (25%) in January 2022. E.ON has more than fifty million customers in fifteen countries with increasing demand for decarbonisation solutions. This engagement by E.ON strengthens Horisont Energi's ability to accelerate the transition to carbon neutrality through pioneering projects throughout the CCS value chain.

Horisont Energi is headquartered in Sandnes, Norway. Horisont Energi is currently located in Norway and the UK. In Norway there are three offices. The main office is in Sandnes, with additional offices in Oslo and Hammerfest, and a UK presence in Edinburgh.

To strengthen governance and facilitate funding of the different projects, Horisont Energi last year established a new company structure. Horisont Energi is the parent company for the three wholly owned and private subsidiaries Horisont Ammoniakk, Horisont Karbon, and Horisont Infra.

The Company's shares are listed on Euronext Growth Oslo under the ticker "HRGI".

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OUR MISSION

Accelerating the transition to carbon neutrality through pioneering projects

Clean Ammonia  Carbon Infrastructure
and Storage



Horisont Energi is a Norwegian Clean Energy and Carbon Infrastructure and Storage Company



Founded in 2019 with head office in Sandnes, Norway

Experienced and dedicated team of ~40 people

A pure-play carbon infrastructure and storage company, and provider of clean ammonia, in partnership with major industrial leaders

Committed to accelerating the energy transition

Industrial ownership with E.ON as largest shareholder with 25% stake

FUNDING: Seed \$1M, Series A \$15M, Series B \$42M



CLEAN
AMMONIA

CARBON
INFRASTRUCTURE

CARBON STORAGE



Q2 2024 Highlights

- Continued progress has been made on the status of the commercial agreements for the Barents Blue project
- Horisont Energi decided to submit a licence application for a new carbon storage with deadline 29 August 2024. Horisont Energi will send the application within the deadline.
- Hosted Barents Blue Days in Hammerfest together with our partners Fertiberia and PGNiG Upstream Norway
- Horisont Energi's Gismarvik CO₂ Hub and cross-border CO₂ infrastructure network received EU Project of Mutual Interest status. Preparing for application for CEF (EU funding)
- Changes to the Board of Directors
 - Celine Pithoud joined as employee elected board member
- Ministry of Energy approved deadline extension for Decision of Concretisation (BoK) of Polaris project with a new deadline 1 November 2024



Financial Highlights

- The main financial priority of management is to extend the capital runway – successfully reduced costs by ~50% in Q2 2024 vs. Q2 2023 and 50% from 1H 2024 vs. 1H 2023. The net loss was thereby reduced to NOK 29.0 million in Q2 2024 compared to net loss of NOK 58.7 million in Q2 2023.
- The reduction in costs and thereby quarterly losses is primarily attributed to a reduction in the use of external resources combined with improved operational efficiency and cost focus.
- Cash and cash equivalents amounted to NOK 130.6 million at the end of Q2 2024.
- The Company has sufficient capital to carry out planned activities through the second half of 2024 and towards key decision milestones for the projects in 2025.
- Horisont Energi is exploring additional capital sourcing to fund projects and provide a sustainable basis for future operations.

Million NOK	Q2 2024	Q2 2023	H1 2024	H1 2023
Total income	0.0	0.0	0.4	0.0
Operation profit (loss)	(30.2)	(61.4)	(68.1)	(138.8)
Net financial income	1.2	2.7	3.5	5.1
Net profit (loss)	(29.0)	(58.7)	(64.6)	(133.8)
Cash/cash equivalents at the end of period	130.6	267.7	130.6	267.7

Co-CEO Letter

Progressing commercial maturity of projects

Horisont Energi continues to progress the projects in the three business areas carbon storage, carbon infrastructure and clean ammonia, particularly related to commercial maturity. There is a positive development in the regulatory frameworks covering the Company's business areas in both Norway and the EU.

The Company continues to progress the work in the Polaris licence in the Barents Sea technically and commercially – together with PGNiG Upstream Norway AS. The goal for the licence is to demonstrate commercial and technical feasibility supporting a concept select decision in Barents Blue and furthermore to submit a positive BoK (decision on concretisation) to the Ministry of Energy by 1 November. In parallel, Horisont Energi has decided to submit a licence application for a carbon storage in the North Sea with deadline 29 August 2024.

Horisont Energi is also actively pursuing opportunities to develop CO₂ value chains together with partners, spearheaded by the planned onshore CO₂ hub at Gismarvik in Rogaland, Norway. This is a local project with a global impact.

As a CO₂ receiving and injection terminal, the Gismarvik CO₂ terminal will have an annual capacity for intermediate storage of 20-24 million tonnes of CO₂ when fully developed before pipeline transport for permanent storage below the seabed in the North Sea.

In April, the EU included the Gismarvik CO₂ hub on its list of Projects of Mutual Interest (PMI), as a part of the Nautilus CCS project network. This makes the Gismarvik hub eligible for funding under CEF – the Connecting Europe Facility for Energy scheme, which is the EU funding programme to implement the trans-European network for energy policy.

The Gismarvik project is gradually maturing commercially both locally and internationally. The team has delivered studies for different players in the CCS industry, both for emitters and a CO₂ storage licence, with encouraging client feedback. Horisont Energi is engaged in different work groups in The Industrial Carbon Management Forum (ICM Forum) for CO₂ where one of the topics is to set a CO₂ standard. Additionally, the company is working with industry (emitters) in Rogaland to establish a local CCS value chain.

Finally, the planned Barents Blue clean ammonia project at Markoppnes in Finnmark is moving forward in a positive direction. In April the company hosted the event 'Barents Blue Days' together with partners Fertiberia and PGNiG Upstream Norway, supported by Arctic Energy Partners and Energi i Nord. The goal for the event was to give an update on Barents Blue and inform about the positive ripple effects of the project to secure local anchoring of our ambitions. The EU remains committed to an energy strategy in which blue and green hydrogen will play an important role, and already in 2022 awarded Barents Blue funding under its Important Projects of Common European Interest (IPCEI) programme.

One key element in the process to realise the project is to establish term-sheets for all the required commercial agreements. This work has been ongoing, and significant progress made in all areas. For instance, the company has secured indicative offtake term sheets for significant volumes of clean ammonia with large international clients. The expectation is that the term sheets will be completed in Q3 with pricing structures and other key terms agreed.

In April, the Scandinavian countries, Belgium and The Netherlands agreed to a framework allowing transport of CO₂ across their national borders, which is a requirement to develop cross-country CO₂ transport and storage as a commercial activity on the Norwegian continental shelf.

The EU needs to capture and store large amounts of CO₂ to meet its climate targets, and this creates an exciting commercial opportunity for Norway. Over the past two years, the Ministry of Energy has awarded six CO₂ offshore storage licenses with the potential to store more than 40 million tonnes annually by the beginning of 2030, and the ministry recently executed a new license round. Industrial analysts indicate that the theoretical storage capacity on the Norwegian shelf could be some 80 billion tonnes of CO₂, allowing for a massive increase in CO₂ storage in the decades to come.

In addition to moving the projects forward, management is working to extend the capital runway of the company. We are in dialogue with potential new partners and new investors. This includes cash contributions as a part of an industrial collaboration structure. The conclusion of these processes is expected before the end of 2024. Furthermore, the Company is assessing both adjustments to the business model and a potential shift in strategic focus. These activities are pursued to secure a sustainable growth platform for Horisont Energi going forward.

The Company is navigating in a challenging market, but with the 5 years of operations of Horisont Energi, substantial competency, IP, capabilities and know-how have been developed, providing a strong position and basis for creating value for our shareholders and solving the challenges ahead!

Björgulf Haukelidsæter Eidesen and Leiv Kallestad

Co-CEOs, Horisont Energi

Project Review

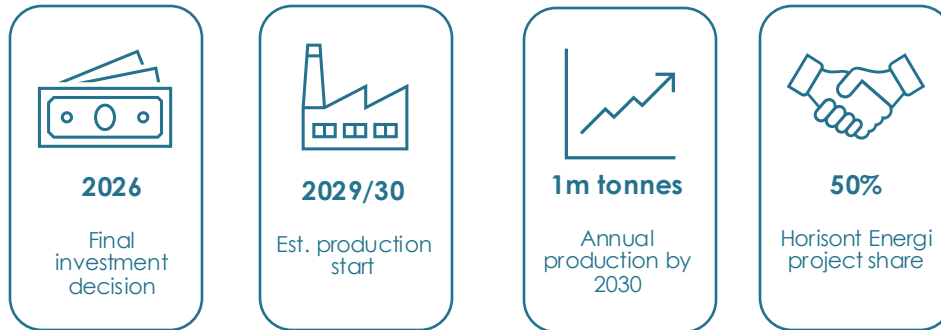
Horisont Ammoniakk



Barents Blue

Europe's first world-scale
clean ammonia plant

Key figures:



Project highlights

Barents Blue will be located in Hammerfest, in the north of Norway

Annual production of 1M tonnes per year in the first phase of the project

Combined with the carbon storage project Polaris, Barents Blue will offer a best-in-class lifecycle carbon footprint, with more than 99% CO₂ capture

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

Achieved IPCEI Hydrogen status, received a conditional grant of NOK 482 million from Enova, as part of the IPCEI Hydrogen programme, Hy2Use

Strong support from local communities

Barents Blue

Key project developments

- JDA signed with the ammonia specialist Fertiberia for the realisation of the project
- Focus is on the first production line (train) of 1 million tonnes/year of clean ammonia
- Secured sufficient power supply for the first train, 45 MW
- Completed a modularised standard 1 mtpa design made with mature and third-party verified technology meeting Taxonomy requirements
- Interface activities for Polaris CO₂ storage, co-location of CO₂ terminal in connection with the ammonia plant
- LPG study being performed to enable use of LPG during start-up and operations of the ammonia plant in addition to use of natural gas as feedstock
- LOI with VNG Handel & Vertrieb GmbH for offtake of 100,000-300,000 tonnes/year
- LOI with Barents Naturgass AS for offtake of 100,000 tonnes/year
- Progressing term sheets for offtake contracts with several large industrial companies
- On-going negotiations related to gas supply for the plant
- On-going term-sheet negotiations on carbon storage service from Polaris



Barents Blue is part of the IPCEI Hydrogen Programme Hy2Use



Europe's first world scale
clean ammonia plant



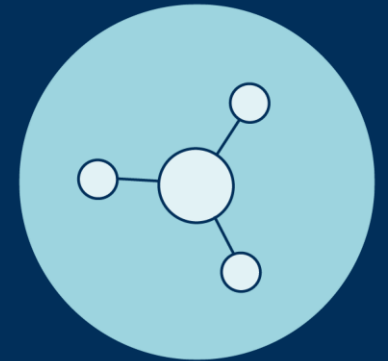
"Best in class"
CO₂ footprint -
Scope 1, 2 and 3



Above 99%
CO₂ capture rate

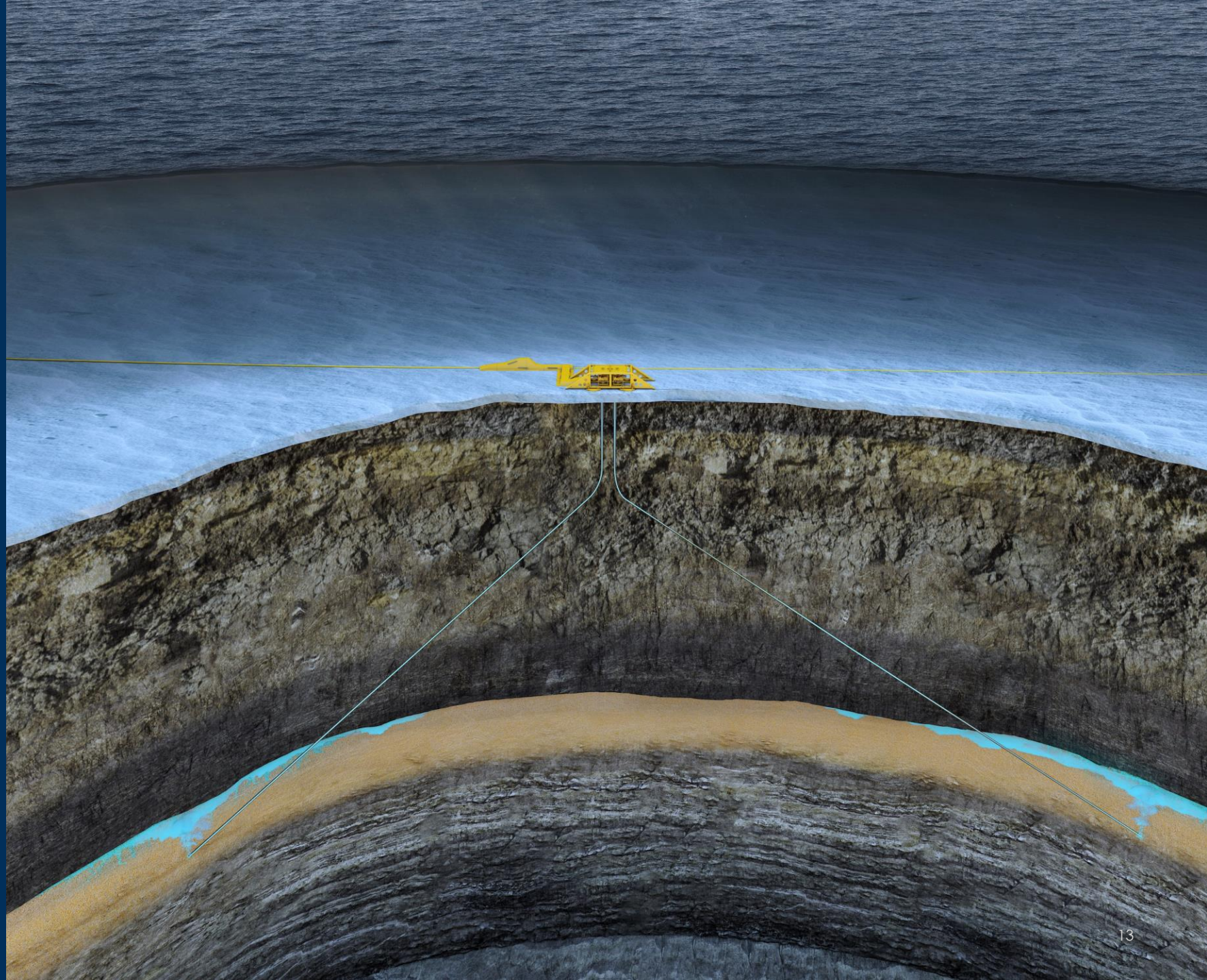


Developing new, clean
industry in Northern
Norway



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

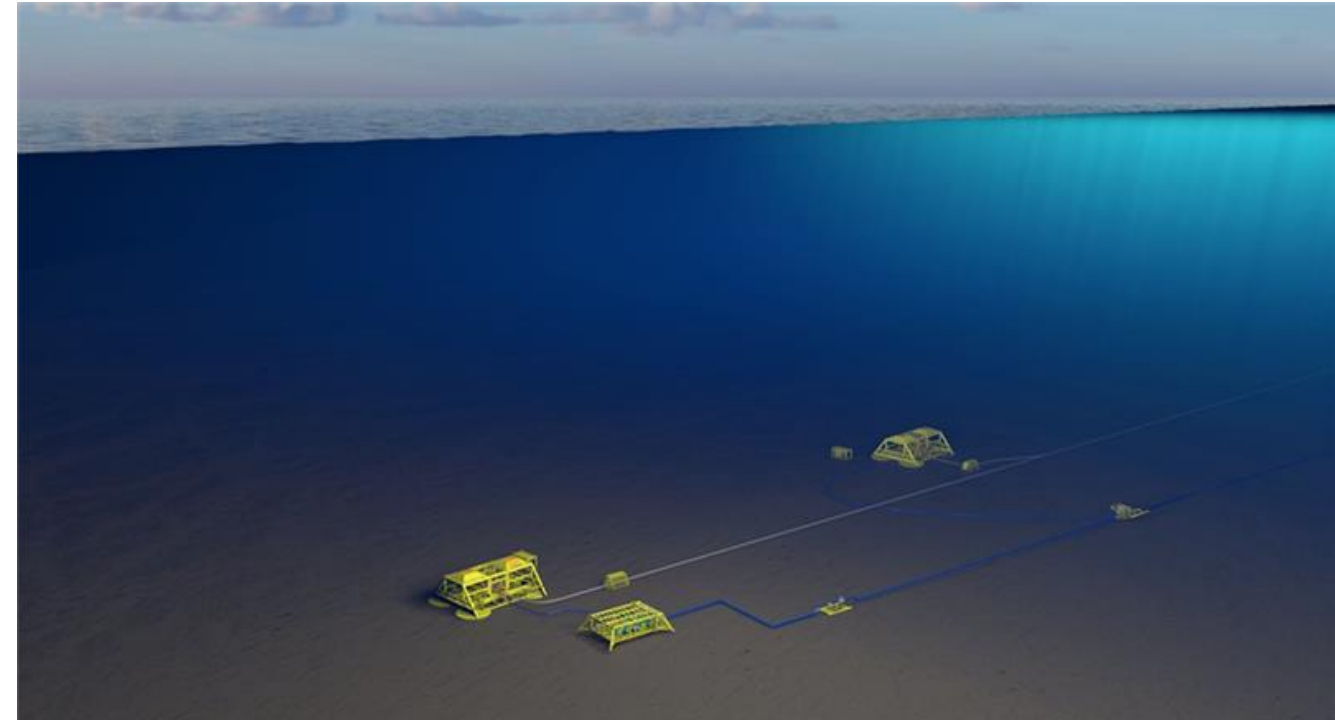
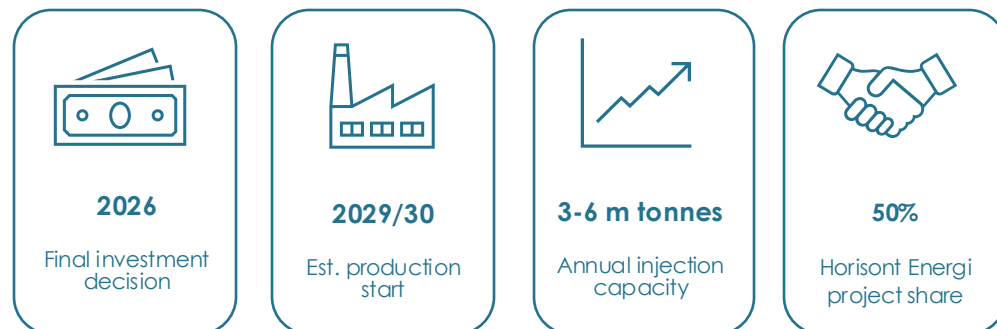
Horisont Karbon



Polaris

Licence EXL003 awarded in April 2022
as the first CO₂ storage in Barents Sea

Key figures:



Project highlights

The only CO₂ licence located in the Barents Sea, 140 km off the coast of Hammerfest, northern Norway

Annual injection capacity 3-6m tonnes a year

Tailored for sustainability in design

Safe and long-term sequestration of CO₂

Planned CO₂ storage for the Barents Blue project

An important project in developing carbon storage as a major green industry in northern Norway

Project lifetime 25+ years

Polaris

The only CO₂ licence in the Barents Sea

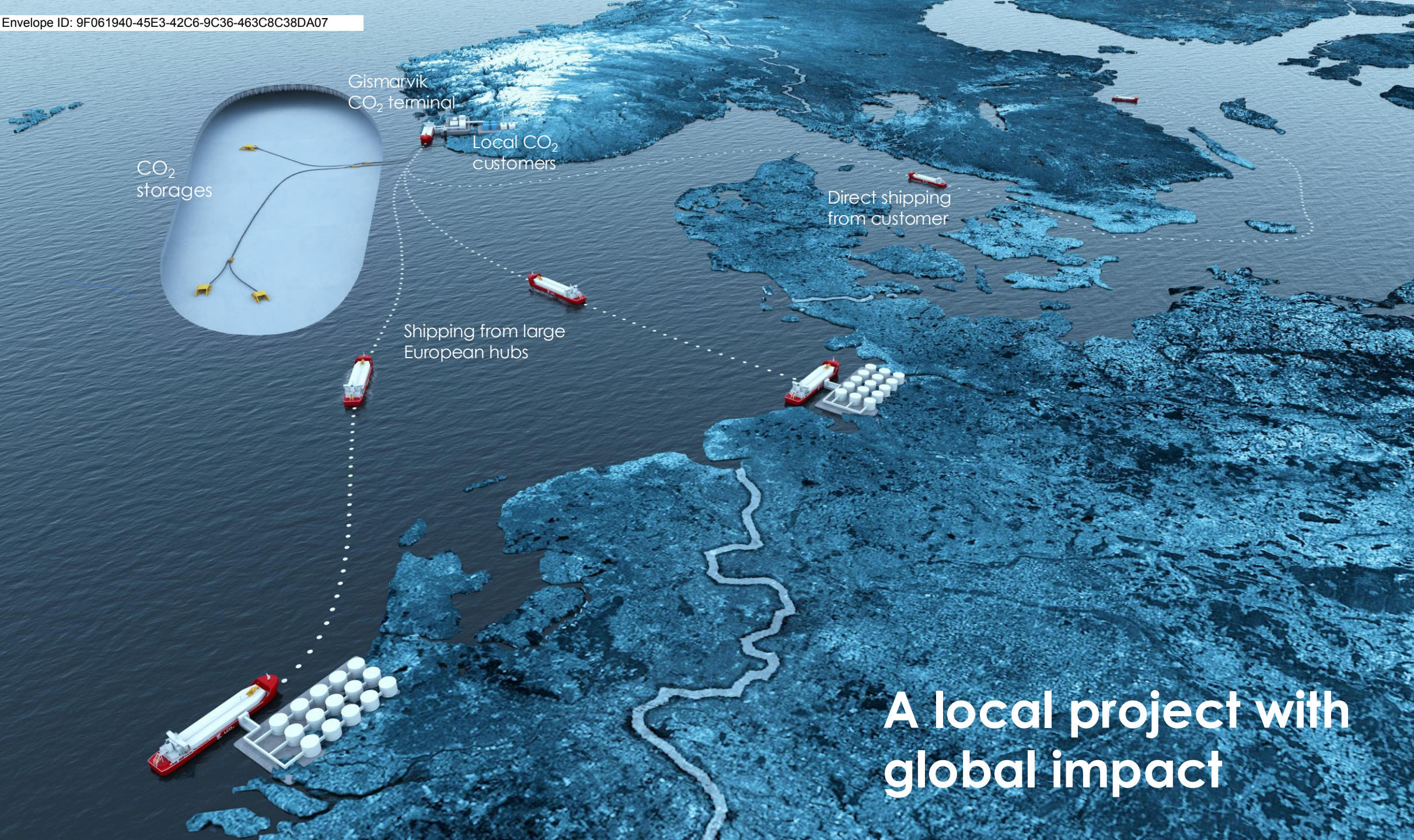
Key project developments

- PGNiG Upstream Norway (PUN) approved as operator and partner (acquiring 50% ownership)
- The work to mature the Polaris reservoir has progressed well, and the licence, supported by a third-party assessment, confirms that the Barents Blue volumes of 2 mtpa can be injected without any appraisal programme
 - Onshore permitting programme approved as part of Barents Blue program
 - Feasibility and concept studies conducted
 - EU Taxonomy compliance verified from Celsia third-party assessment and DNV audit
 - Power secured as part of Barents Blue power reservation
- Entered into MoU with E.ON for storing CO₂ in Polaris
- Strong support in the local community in developing carbon storage as a major green industry in Northern Norway
- Decision of Concretisation (BoK) is set to 1 November 2024



Horisont Infra





CO₂
storages

Gismarvik
CO₂ terminal

Local CO₂
customers

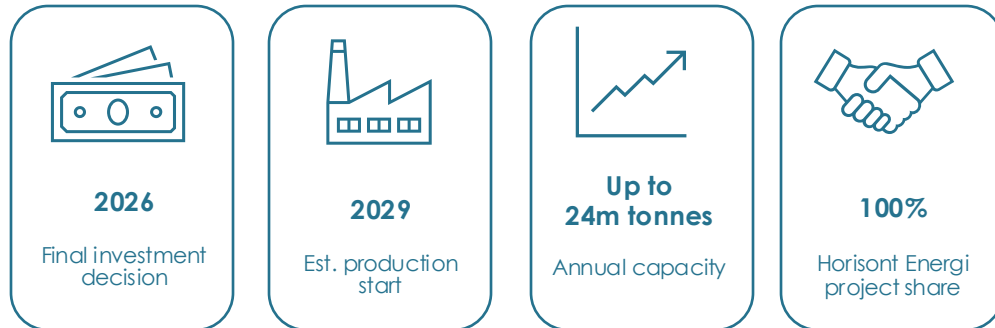
Direct shipping
from customer

Shipping from large
European hubs

A local project with
global impact

Gismarvik CO₂ hub

One of Europe's largest CO₂ hubs with
up to 24 mtpa capacity



Project highlights

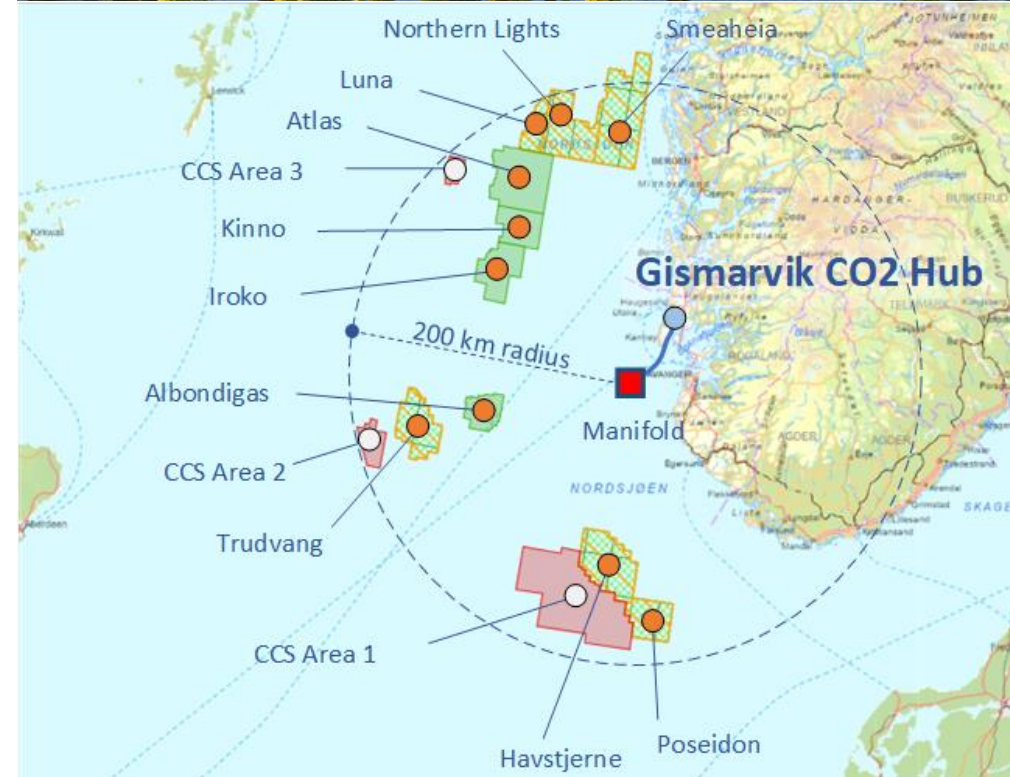
- Strategically located at Gismarvik, Haugaland Business Park in the southern part of Norway with access to critical infrastructure
 - Dependable with robust operations and known technology, and market leading energy efficiency
- Provide solution for several carbon storages
 - Prepared for future European CO₂ pipeline
- Economics of scale enables commercialisation of CCS value chain in line with the development of the CCS market
- Developing European CO₂ value chain with partners
- Project lifetime 25+ years

Gismarvik CO₂ hub

One of Europe's largest CO₂ hubs with up to 24 mtpa capacity

Key developments

- Planning program approved and permitting process ongoing
- Tie-in study dialogues at various stages with several carbon storage licences
- Conducting paid feasibility studies for interested parties in the region, including transport of CO₂ to the terminal for Norwegian emitters
- Standard CO₂ terminal design established, reuse for growth
- MoU with Chane (formerly Koole Terminals) for the development of CCS opportunities, including aggregation of CO₂ storage capacity and shipment to Norway
- MoU & term sheet with E.ON for CO₂ volumes to terminal and connected carbon storage, and local CO₂ emitters
- All infrastructure secured including power, 10 MW secured for the first phase of the project
- Signed extended option agreement with Haugaland Business Park for land-based CO₂ terminal
- Obtained status as EU Project of Mutual Interest (PMI) for the Gismarvik CO₂ hub lead by Air Liquide



Company Outlook

Horisont Energi

Operationally, the new Management team prioritises execution within the business units, with the goal of reaching project milestones whilst retaining cost focus, effective and efficient use of human resources.

Commercial development including partnership to realise projects remains a key priority going forward. Management will continue to pursue a cost-efficient operation and achieve further cost reductions over the coming months while maintaining momentum for the project development efforts.

Horisont Ammoniakk

A key priority is to complete the commercial processes required for the plant's feedstocks. In addition, the organisation expects to progress ongoing negotiations with potential industrial buyers of clean ammonia on the basis of the outcome of feedstock term sheets. The company expects that term sheets will be completed in Q3.

Horisont Karbon

Horisont Karbon will continue to drive the Polaris project towards the new BoK (Beslutning om konkretisering/Decision of Concretisation) deadline 1 November – together with PGNiG Upstream Norway. This includes defining and aligning Polaris actionable items and critical success factors. Horisont Karbon will also pursue a licence application for a new carbon storage to connect with the Gismarvik CO₂ terminal. Deadline for application is 29 August 2024.

Horisont Infra

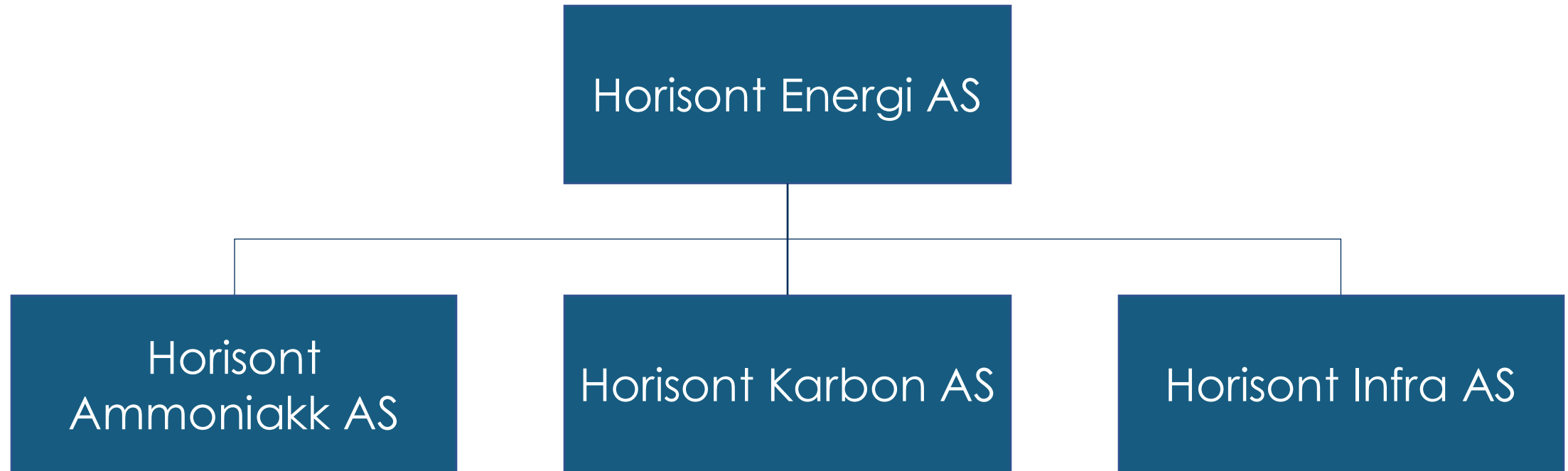
Horisont Infra is moving towards a key decision gate (DG2) in the Gismarvik project, assessing project continuation post-feasibility but pre-detailed design. Timing for DG2 will depend on when a CO₂ storage is ready to commit by making the terminal their preferred concept select, anticipated by the end of 1H 2025. The project aims to sign Letters of Intent (LOIs) with North Sea carbon storage licence holders and local CO₂ emitters, aligning preliminary commitments for CO₂ storage and capture. Horisont Infra which currently owns the project 100%, plans to engage a project partner to enhance resource sharing, risk mitigation, and overall project viability.

Financing and funding

The Company has sufficient capital to carry out planned activities through the second half of 2024 and towards key decision milestones for the projects Horisont Energi is involved with. Horisont Energi is exploring additional sourcing of capital to fund projects and provide a more long-term basis for future operations. Significant efforts involving internal and external resources are now made to secure financing. The capital markets for renewable businesses are however challenging, hence it is anticipated that it will take time to reach the desired result of the processes.

Going concern and the creation of a sustainable platform for operations beyond 2025 will therefore be contingent upon the successful conclusion of these processes.

Horisont Energi company structure enables integrated and pure-play partnerships



Horisont Energi's management team



Bjørgulf Haukelidsæter Eidesen, Co-CEO and Co-Founder

>20 years' experience within leadership, technology, business development, innovation, project expertise and energy business knowledge.

Previous working experience from Equinor/Statoil and consultancy.

MSc. Cybernetics, Norwegian University of Science and Technology.



Leiv Kallestad, Co-CEO and CFO

>20 years' experience as a business executive working with commercialisation and scale-up of energy related technology.

Previous working experience from companies including ExxonMobil and ConocoPhillips.

Educated at Norwegian School of Economics and University of Stavanger.



Rune Halseid, Chief BU Ammonia and Infrastructure

Has mainly worked in Equinor for 25 years in oil, gas and hydrogen.

Former chief engineer in processing for Equinor and headed up FPSO delivery for an Equinor project in Brasil.

Educated from NTH/NTNU in chemical engineering and with Ph.D. in ammonia cracking.



Morten Sola, Chief BU CCS

>30 years of experience from oil and gas. Former exploration manager in Equinor, Maersk Oil and BG.

Experience with start-ups from Sharp reflections, a geophysical data company.

Master in geophysics from the University of Bergen.



Jorunn Brigtsen, CCO

>20 years of experience from the energy sector and various commercial roles, Jorunn Brigtsen holds a key competence in the management team as our commercial officer.

Before joining Horisont Energi, Jorunn worked for TotalEnergies following the Northern Lights project – the first commercial CCS project in Norway, as well as TCM Mongstad.

Jorunn is driven to build a commercial CCS industry in Norway with both local and European value chains.



Ståle Brattebø, CTO

>30 years subsea experience from contractors and oil companies, including from management and board roles.

Previous working experience from companies including Siemens and Aker Solutions. Founded and exited from Poseidon, a subsea services company which was sold to Siemens.

BSc. in subsea from University of South-Eastern Norway and mechanical engineering from NKI College of Engineering.



Malene Sandøy, CSO

25 years HSE experience from oil and gas operators, including from management roles.

Being editor on technical safety standards in NORSOK and ISO and having a Phd in risk management. Previous working experience from companies including ConocoPhillips and AkerBP.

MSc. in offshore safety from University of Stavanger (UiS) and Phd in risk management from UiS.

Responsibility Statement

The Board of Directors and the Co-CEOs certify that the interim financial statements for the period from 1 January 2024 to 30 June 2024 give a fair view of the performance of the business, position and profit or loss of the Company, and describe the principal risks and uncertainties that the Company faces.

The board of directors for Horisont Energi AS

Sandnes, 28 August 2024

Signiert von:

Dr. Gabriel Clemens

Dr. Gabriel Clemens

Chairman of the board

DocuSigned by:

Silje Augustson

Silje Christine Augustson

Board member

DocuSigned by:

Leif Christian Salomonsen

Leif Chr. Salomonsen

Board member

DocuSigned by:

Celine Pithoud

Céline Pithoud

Board member

Signed by:

Rob Mathews Maria Stevens

Rob Mathews Maria Stevens

Board member

DocuSigned by:

Rolf M. Larsen

Rolf Magne Larsen

Board member

DocuSigned by:

Bjergulf Haukelidsæter Eidesen

Bjergulf Haukelidsæter Eidesen

Co-Chief Executive Officer

DocuSigned by:

Leiv Kallestad

Leiv Olav Kallestad

Co-Chief Executive Officer



Consolidated Interim Financial Report

Consolidated Income Statement

	Notes	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Other income						
Sales revenue		-	-	-	-	
Other income	1	-	-	377 400	-	5 000 000
Total other income		-	-	377 400	-	5 000 000
Operating costs						
Salary and personnel costs	2	13 605 445	13 008 902	31 467 960	23 413 519	79 263 409
Depreciation	3, 4	906 506	1 153 344	1 895 292	2 306 687	4 613 375
Other operating costs	5	15 660 791	47 283 626	35 131 588	113 117 202	124 109 105
Total operating costs		30 172 742	61 445 872	68 494 840	138 837 407	207 985 889
OPERATING PROFIT (LOSS)		-30 172 742	-61 445 872	-68 117 440	-138 837 407	-202 985 889
FINANCIAL INCOME AND EXPENSES						
Interest income	6	1 723 533	3 198 106	4 300 061	6 471 115	12 125 448
Interest expenses	3	-160 122	-163 869	-311 295	-304 217	-600 123
Other financial income		13 876	11 270	18 237	11 270	321 737
Other financial expenses		-378 233	-304 834	-459 170	-1 107 431	-1 816 177
Net financial income (expenses)		1 199 054	2 740 673	3 547 833	5 070 738	10 030 885
PROFIT (LOSS) BEFORE INCOME TAX		-28 973 688	-58 705 199	-64 569 607	-133 766 670	-192 955 004
Income tax expense	7	-	-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		-28 973 688	-58 705 199	-64 569 607	-133 766 670	-192 955 004

Consolidated Balance Sheet

ASSETS	Notes	30.06.2024	30.06.2023	31.12.2023
Non-current assets				
Right-of-use assets	3	7 438 216	6 902 357	9 272 213
Total non-current assets		7 438 216	6 902 357	9 272 213
Machines, furnishings and fittings				
Fixtures and fittings, tools, office machinery, etc	4	309 105	431 695	370 400
Total machines, furnishings and fittings		309 105	431 695	370 400
Financial fixed assets				
Investments in associates	8	5 000 000	-	5 000 000
Investments in subsidiaries		-	-	120 000
Total financial fixed assets		5 000 000	-	5 120 000
Total fixed assets		12 747 321	7 334 052	14 762 613
Current assets				
Receivables				
Accounts receivables		2 206 285	-	16 182 841
Other receivables	9	14 878 279	34 965 619	28 678 550
Total receivables		17 084 564	34 965 619	44 861 391
Cash and cash equivalents	10	130 571 397	267 690 189	200 399 887
Total current assets		147 655 961	302 655 808	245 261 278
TOTAL ASSETS		160 403 282	309 989 860	260 023 891

Consolidated Balance sheet

EQUITY AND LIABILITIES	Notes	30.06.2024	30.06.2023	31.12.2023
Equity				
Innskutt egenkapital				
Share capital	11,12	223 259	223 259	233 259
Share premium	11	566 687 885	566 687 897	566 687 897
Other paid-in equity	2,11	8 485 304	7 817 828	8 349 032
Total contributed equity		575 396 448	574 728 984	575 260 188
Retained earnings (deficit)				
Retained earnings (deficit)	11	-448 341 341	-324 583 405	-383 771 739
Total retained earnings (deficit)		-448 341 341	-324 583 405	-383 771 739
Total equity		127 055 107	250 145 579	191 488 449
LIABILITIES				
Non-current liabilities				
Lease debt	3,13	2 416 363	2 122 439	4 808 756
Other long-term liabilities		-	-	-
Liabilities to financial institutions	13	-	-	-
Total non-current liabilities		2 416 363	2 122 439	4 808 756
Current liabilities				
Accounts payables		5 246 914	11 395 217	32 723 732
Public duties payable		4 517 179	3 920 595	6 530 134
Taxes payable		-	-	-
Lease debt with due date within 12 months	3	3 537 695	4 221 217	3 204 649
Other current liabilities	14	17 630 024	38 184 811	21 268 173
Total current liabilities		30 931 812	57 721 842	63 726 688
Total liabilities		33 348 175	59 844 281	68 535 444
TOTAL EQUITY AND LIABILITIES		160 403 282	309 989 860	260 023 891

Consolidated Cash Flow

	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Cash flow from operating activities					
Profit (loss) before income tax	-28 973 688	-58 705 199	-64 569 607	-133 766 670	-192 955 004
Negative instalments tax	-	-	-	-	-
Tax refund received	-	-	-	-	4 750 000
Interest cost on right use liabilities	160 122	147 269	310 791	282 021	577 550
Depreciations	906 506	1 153 344	1 895 292	2 306 688	4 613 375
Cost related to employee share options	84 945	364 856	136 272	624 317	1 257 383
Change in accounts receivables	2 318 263	3 463 105	13 864 577	30 974 756	9 791 916
Change in accounts payables	-5 702 723	-14 456 906	-27 476 818	-4 619 346	16 709 169
Change in other short-term receivables and payables	-4 260 730	-14 853 154	8 070 350	-15 970 218	-28 842 113
Net cash flow from operating activities	-35 467 303	-82 886 685	-67 769 143	-120 168 452	-184 097 725
Cash flow from investing activities					
Investments in fixed assets	-	-	-	-	0
Investments in subsidiaries	-	-	-	-	-120 000
Net cash used in investing activities	-	-	-	-	-120 000
Cash flow from financing activities					
Capital contribution net of fees	-	-	-	-	-
Repayment of loan from financial institutions	-	-2 400 000	-	-2 400 000	-2 400 000
Payments of lease debt including interest	-920 197	-1 246 106	-2 059 347	-2 568 522	-5 809 550
Net cash from financing activities	-920 197	-3 646 106	-2 059 347	-4 968 522	-8 209 550
Net cash flow from discontinued operations	-	-	-	-	-
Net change in cash and cash equivalents	-36 387 500	-86 532 791	-69 828 490	-125 136 974	-192 427 275
Cash/cash equivalents at the beginning of period	166 958 898	354 222 981	200 399 887	392 827 162	392 827 162
Cash/cash equivalents at the end of period	130 571 397	267 690 189	130 571 397	267 690 189	200 399 887

Accounting Principles and Basis for Preparation

- Horisont Energi AS ("the Company") and its subsidiaries and investments in associated companies ("the Group") purpose is to become a leading clean energy company contributing to the energy transition.
- These interim consolidated financial statements have been prepared in accordance with the principles in IAS 34, Interim Financial Reporting. The interim consolidated financial statements are unaudited, and do not include all of the information required for the full financial statements and should be read in conjunction with the annual financial statements.
- The accounting principles used in the preparation of these financial statements are consistent with those used in the annual financial statements for 2023. These condensed financial statements should be read in conjunction with the annual financial statements, which include a full description of the Company's accounting principles.
- The preparation of the interim consolidated accounts entails the use of judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised as assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances.
- The actual results may deviate from these estimates. The material assessments underlying the application of the company's accounting policies, and the main sources of uncertainty are the same for the interim accounts as for the annual accounts for 2023.



Selected Notes

Notes

Note 1 Other income

Horisont Energi AS has done a study based on a requirement from a customer.

Note 2 Payroll expenses, number of employees, remunerations, loans to employees, etc.

Payroll expenses	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Salaries/wages	9 386 312	9 650 763	23 084 764	24 035 764	55 190 003
Bonus	-	-	-	-	11 992 307
Social security fees	1 778 729	1 567 201	3 720 710	3 627 233	9 827 327
Pension expenses	1 524 203	1 586 254	3 080 952	3 264 161	6 449 975
Other remuneration	916 201	1 685 081	1 581 534	2 822 577	3 163 699
Gross employee benefits expenses	13 605 445	14 489 298	31 467 960	33 749 274	86 623 311
The number of employees at 31.12	35	44	35	44	38
Reimbursed from partners	-	-1 480 396	-	-10 335 755	-7 359 902
Salary and personnel costs	13 605 445	13 008 902	31 467 959	23 413 519	79 263 409

During 2023 a bonus plan was implemented to ensure retention throughout 2023 and to incentivise the organisation. The bonus has been paid in January 2024.

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

The Company has a defined contribution scheme which covers all the employees.

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

The Company has an employee share options program for some of its employees. All share options are equity-settled.

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

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

	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Expensed salary cost related to employee share options	84 945	364 856	136 272	733 874	1 366 940
Outstanding warrants opening balance 01.01.	406 500	426 000	406 500	426 000	426 000
Warrants granted	-	20 000	-	20 000	20 000
Warrants forfeited	-5 500	-20 000	-5 500	-20 000	-39 500
Warrants exercised	-	-	-	-	-
Warrants expired	-	-	-	-	-
Outstanding warrants at end of period	401 000	426 000	401 000	426 000	406 500
Of which exercisable	176 000	-	176 000	-	160 000

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

	30.06.2024	30.06.2023	31.12.2023
- Exercise price between	26-56	26-56	26-56
- Share price at grant date between	17-38	17-38	17-38
- Expected volatility	40%	40%	40%
- Risk free interest rate	4%	1%	4%
- Term of options between	1,5-3,5years	1,5-3,5 years	1,5-5 years

Notes

Note 3 Leases IFRS 16

Right-of-use assets

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

Right-of-use assets	30.06.2024	30.06.2023	31.12.2023
	Offices	Offices	Offices
Aquisition cost as at 01.01	17 621 024	13 005 776	13 005 776
Addition of use-of-rights*	-	-	4 615 248
Termination of use-of-rights			-
Aquisition cost end of period	17 621 024	13 005 776	17 621 024
Depreciation and write-downs as at 01.01	8 348 811	3 858 027	3 858 027
Depreciation for the period	1 833 997	2 245 293	4 490 784
Write-downs for the period	-	-	-
Depreciation and write-downs as at end of period	10 182 808	6 103 419	8 348 811
Book value right-of-use assets at end of period	7 438 216	6 902 357	9 272 213
Economic lifetime	12-50 months	12-50 months	12-50 months
Depreciation method	Linear	Linear	Linear

*Additions in 2023 are calculated using a discount rate of 7%

Lease liability	30.06.2024	30.06.2023	31.12.2023
	Offices	Offices	Offices
Liabilities and payment schedule excluding interest			
Less than 1 year	3 537 659	4 221 217	3 204 649
1-2 years	2 78 760	827 929	3 641 245
2-3 years	137 605	844 922	893 267
3-5 years	-	449 588	274 244
More than 1 year	2 416 362	2 122 439	4 808 756
Total lease liabilities at end of period	5 954 058	6 343 656	8 013 405
Changes in lease liabilities	30.06.2024	30.06.2023	31.12.2023
Lease liabilities at 01.01	8 013 405	8 630 157	8 630 157
New/recalculated liabilities this period	-	-	4 615 248
Termination of lease	-	-	-
Downpayments of liabilities	-2 370 138	-2 568 522	-5 809 550
Interest payments	-	-	-
Interest on lease liabilities	310 791	282 021	577 550
Total lease liabilities at end of period	5 954 058	6 343 656	8 013 405

Notes

Note 4 Fixed assets

Machinery and equipment	30.06.2024	30.06.2023	31.12.2023
Acquisition cost as at 01.01	547 974	547 974	547 974
Additions	-	-	-
Disposals	-	-	-
Acquisition cost at end of period	547 974	547 974	547 974
Accumulated depreciation 31.03	-238 869	-116 279	-177 574
Accumulated write-downs 31.03	-	-	-
Net value at end of period	309 105	431 695	370 400
Depreciation for the period	-61 295	-30 648	-122 591
Impairment losses for the year.	-	-	-

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

Note 5 Other operating costs

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

	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Office expenses	1 379 748	1 883 959	2 430 711	6 436 363	10 764 279
Consultants fee, studies etc.	13 839 035	59 762 578	34 087 348	162 221 075	181 574 641
Reimbursed from partners	-394 138	-15 491 693	-2 982 465	-57 691 820	-50 765 082
Skattefunn	-	-	-	-	4 750 000
Other expenses	835 879	1 128 783	1 595 727	2 151 583	4 178 301
Reimbursed VAT	-	-	-	-	16 893 034
Total	15 660 524	47 283 626	35 131 321	113 117 201	124 109 105

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

Note 6 Interest income

	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Interest earnings, tax-free	-	-	-	-	51 202
Interest earnings, bank	1 669 827	3 198 106	3 768 569	6 471 115	12 048 523
Interest earnings, other	53 706	-	531 492	-	25 723
Interest income	1 722 533	3 198 106	4 300 061	6 471 115	12 125 448

Notes

Note 7 Taxes

This year's tax expense	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Entered tax on ordinary profit/loss:	-	-	-	-	-
Payable tax	-	-	-	-	-
Changes in deferred tax assets	-	-	-	-	-
Tax expense on ordinary Profit/loss	-	-	-	-	-
Taxable income:					
Result before tax	-28 973 688	-58 705 199	-64 569 607	-133 766 670	-192 955 004
Permanent differences	85 475	38 680	157 185	66 167	-3 443 868
Changes in temporary differences	-13 691	623 268	-164 055	848 409	-706 301
Taxable income	-28 901 903	-58 043 251	-64 576 477	-132 852 094	-197 105 173
Payable tax in the balance:					
			-	-	-
Payable tax on this year's result					
			-	-	-
Total payable tax in the balance			-	-	-

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:

	31.06.2024	30.06.2023	31.12.2023
Tangible assets	-41 598	6 684	19 697
Lease agreements brought to the balance	1 484 158	558 702	1 258 808
Other provisions	-	-2 044 930	0
Total	1 442 560	-1 492 912	1 278 505
Accumulated loss to be brought forward			
	-466 511 290	-337 681 734	-401 934 813
Not included in the deferred tax calculation	-465 068 730	-339 174 646	-400 656 308
Deferred tax assets (22%)			
	-	-	-

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



Notes

Note 8 Associated companies

Associated companies	Ownership	Equity per 31.12.	Net profit in 2023
Hestaco AS	29%	5 010 616	-58 608

Horisont Energi acquired ownership in Hestaco close to year end 2023. Horisont Energi AS' share of net result in Hestaco AS is considered immaterial for 2024.

Note 9 Other receivables

	30.06.2024	30.06.2023	31.12.2023
Receivable Skattefunn	4 750 000	4 750 000	4 750 000
Prepaid costs	7 776 255	3 370 146	1 667 561
Recharge to partners	0	25 553 434	0
Settlement account for VAT	2 126 076	1 292 039	22 260 989
Other receivables	225 948	-	-
Other receivables	14 878 278	34 965 618	28 678 550

Note 10 Cash and cash equivalents

	30.06.2024	30.06.2023	31.12.2023
Restricted cash related to tax withholding accounts amounts	2 392 132	2 43 921	2 747 678

Note 11 Share capital

	Share capital	Share premium	Other paid-in equity	Retained earnings (deficit)	Total equity
Balance 01.01	223 259	566 687 885	8 349 032	-383 771 735	191 488 442
Cost related to employee share options			136 272		136 272
Net profit (loss) for the period				-64 569 607	-64 569 607
Balance 31.03	223 259	566 687 885	8 485 304	-448 341 341	127 055 107

Notes

Note 12 Share capital, subscription rights and shareholder information

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

The 10 largest shareholders pr 31.03:	Shares	Ownership
E.ON Energy Projects GMBH	5 706 495	25,56%
FØNIKS INNOVASJON AS	5 126 538	22,96%
NORDNET LIVSFORSIKRINGS AS	552 585	2,48%
DJ ADVISORS AS	552 515	2,47%
EITOR AS	550 000	2,46%
NORNES	431 000	1,93%
SPELALFONDET KLP ALFA GLOBAL ENER	413 798	1,85%
STØDLE	338 850	1,52%
SPONSORMEGLEREN AS	310 000	1,39%
APOLLO ASSET LIMITED	300 000	1,34%
Others	8 044 199	36,03%
Total number of shares	22 325 980	100,00%

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

Some of the Company's management and board members controls Føniks Inovasjon As.
There has been no material transactions between the company and the shareholders.
There are no loans/debt between the Company and the shareholders.

Note 13 Other-long term liabilities

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

	30.06.2024	30.06.2023	31.12.2023
Lease debt	2 416 362	2 122 439	4 808 756
Total	2 416 362	2 122 439	4 808 756

Note 14 Other current liabilities

	30.06.2024	30.06.2023	31.12.2023
Unpaid salary	-	-	11 992 306
Holiday pay allowance	3 405 760	2 379 899	4 788 265
Accrued cost	14 224 264	35 804 913	4 487 602
Other current liabilities	17 630 024	38 184 812	21 268 173

Notes

Note 15 Risk and risk management

Horisont Energi is an innovative Company in the project development phase in new and immature industries. This involves both technological, technical, commercial, political, regulatory, and financial risks, many of which are beyond the company's control.

Horisont Energi has a short operating history. Given that it still is in a pre-commercial phase, the Company has limited revenue and is loss-making. The Company has sufficient funding and liquidity for its current stage of business development and has also received grants supporting the funding of the projects as well as conditional grants triggered if certain milestones are reached. However, realisation of the projects will require significant additional funding in the form of both equity and debt financing, and no guarantees can be given with respect to the availability of such funding at competitive terms. In addition, our projects are subject to the award of licenses, permits and authorization by local and national authorities.

Thus, no guarantees can be made that these will be received. Further, the Company is dependent upon retaining and attracting employees that contribute to the project developments and the management of the Company. The Company has limited market risks in terms of interest or currency risk. The Company is or may be exposed to currency risk, credit risk, interest rate risk, liquidity risk and price risk. Identifying and managing risks is performed in our projects and through our corporate governance structures.

The Company currently has limited exposure to currency risk in its transactions. Horisont Energi's future business activities will involve exposure to several risks such as uncertainty related to natural gas feedstock prices, ammonia sales prices and storage contracts. There will also be risks linked to the cost of the Company's projects due to fluctuating prices of steel and other materials. Delays in when projects become operational are also a risk factor.

Note 16 Subsequent events and going concern

The accounts are prepared on the assumption of a going concern. This assumption is based on the Company's budget for the year 2024 including the Business Plan and the cash flow forecast. The future financial solidity of the Company will depend on the development of its projects and the ongoing financing efforts. Updates are shared with the market in notices to the stock exchange.



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