Annual Report 2022

April 26th 2023

Zaptec

Update from the CEO

Dear shareholders,

I am pleased to report on another successful year for our company in 2022. Despite facing challenges such as the production stop in April due to component sourcing challenges, we made significant progress toward changing our world by providing safe, high-quality charging systems for electric vehicles.

During the year, we continued to innovate and develop new technologies that improved the performance and accessibility of our charging systems, such as the future possibility with the app-free payment solution Plug&Charge and the future potential of making the EV a resource enabling bidirectional charging where the car can provide power back to the grid.

We achieved strong sales growth in our current core markets in Scandinavia and Switzerland. We also made significant investments in new European markets, including revitalizing our efforts in Germany and establishing a fully operational subsidiary in the Benelux region. We achieved positive momentum in the UK by complying with all regulatory requirements for home charging, initiating our Zaptec Go product production, and winning several housebuilder contracts in the region. Also, we started the production of Zaptec Pro at Sanmina's production facilities in Bavaria. These efforts have positioned us well to take advantage of the significant market potential in most major European countries.

Moreover, we were delighted to complete our uplisting to the Oslo Stock Exchange main list in December 2022. This move was a significant milestone for our company, proving us as a professionalized business and providing access to a broader investor base. This will help us achieve our strategic objectives and continue to expand our business sustainably and responsibly.

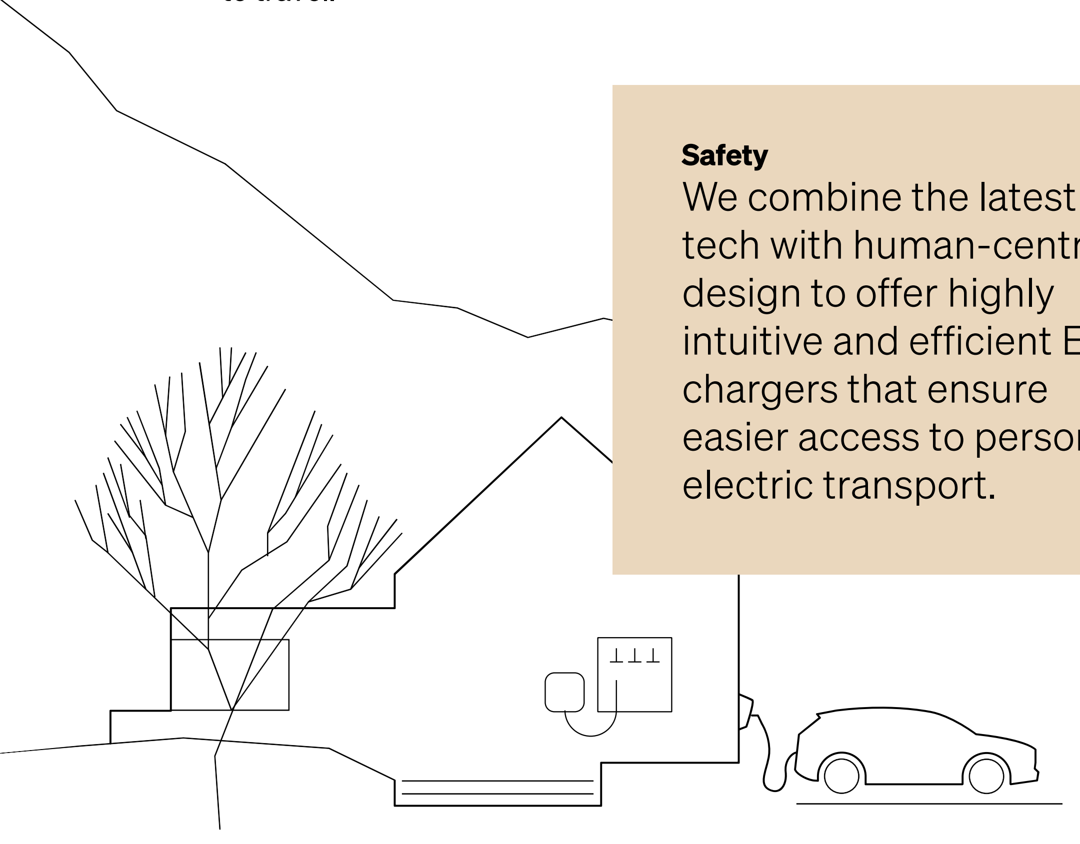
The start of 2023 has been even more exciting – we have been awarded a European patent for our dynamic phase balancing technology, completed a share capital increase of 300 MNOK, and obtained MID certification for Zaptec Pro.

As we look to the future, we remain dedicated to our mission of contributing to the shift toward sustainable transportation. We will continue to innovate, expand our reach, and build strong partnerships with other organizations that share our vision.

Peter Bardenfleth-Hansen
CEO

This is Zaptec

Quality
At Zaptec we're on a journey to enable better personal mobility for the many. Born on the rugged west coast of Norway, where horizons stretch far, it's clear to us that travelling and exploring are a natural part of what makes us human. We're passionate about finding and enabling better ways to travel.



Safety
We combine the latest tech with human-centred design to offer highly intuitive and efficient EV chargers that ensure easier access to personal electric transport.

Time
By offering leading edge, green-tech charging solutions, we enable the electrification of the transport sector while giving people the freedom and potential to travel into a more sustainable future. So whether you're planning a quick trip to the shops or aiming further into the distance, we're passionate about being the power behind your journey.

Within just a few years, we've built our domestic market leading position by supplying superior charging installations for housing co-ops and private homes alike. And as a Norwegian EV pioneer, our goals are aimed on bringing the best charging technology from the coast of Norway to the rest of the world.

Our vision

We change our world
with cutting-edge
charging solutions.

Our values

Curious
Passionate
Responsible

150.000+

charging stations in sold

8

countries with Zaptec offices

144

employees

55%

revenue growth in 2022

~500,000

Parking spaces with infrastructure for further Zaptec Pro chargers

Financial summary

Revenue
Revenue increased 55% in 2022 from 489 MNOK in 2021 to 757 MNOK in 2022.

The increase in revenue is largely driven by higher activity and market shares in Switzerland and Sweden, in addition to increased export to other markets. The export share increased from 51% in 2021 to 69% in 2022.

Total registered purchase orders during 2022 of 932 MNOK, where the backlog of orders of 173 MNOK by end of December has scheduled deliveries throughout 2023.

Gross margin
Achieved gross margin in 2022 of 41% compared to 44% in 2021, explained by a slight change in product mix as sales of Zaptec Go versus Zaptec Pro increased, increased price pressure on components and transport in addition to price adjustments to be competitive in some markets.

Opex
Total operating expenses in 2022 of 311 MNOK compared to 140 MNOK in 2021.

Total employee benefit expenses of 157 MNOK versus 78 MNOK in 2021, an increase directly related to increase in personnel. At the end of December 2022 Zaptec had 144 employees, compared to 80 employees at end of December 2021.

Other operating expenses in 2022 of 154 MNOK compared to 62 MNOK in 2021.

The increase is largely related to marketing, sales, consultants and expenses for expanding presence in Europe, in addition to 13 MNOK directly related to up-listing from Euronext Growth to Oslo stock exchange.

EBITDA
EBITDA in 2022 of -4.5 MNOK compared to 75 MNOK in 2021.

Available Liquidity
Total available liquidity of 114 MNOK at end of December, which includes cash, deposits, funds and available overdraft facility of 41 MNOK.

Key milestones 2022

It's not often we sit still and take a moment to look back. 2022 has been a ride, and it's time to sum up. Do you remember we even had a short component stop, which led to a complete halt in production in Q1 2022? Even though our production levels were lower than planned during the quarter, which resulted in a backlog of our chargers, we managed to get back on track.

While waiting for our components, Zaptec Go was recognized with an international **Red Dot award** for best product design.

Toyota Norway announced becoming an official supplier of Zaptec Go's in connection with the launch of its first EV, the Toyota bZ4X.

In Q2, the export share was 70% compared to 41% in the same period last year. Our largest export markets were Sweden, Denmark, Switzerland, and Iceland, and our export journey continued in the same markets for the rest of the year.

Key milestones 2022

Before we knew it, we even had a new payment solution in place, ready to be implemented with our Zaptec product in the rest of Europe. We agreed with the software company Monta to provide one of the best and most flexible payment solutions in the market, named Zaptec Park. Other good news in a time when components were difficult to breed was that we announced a new product manufacturing company, Sanmina Cooperation, in Germany.

We continued our international expansion in Q3, opening a **new subsidiary** in the Netherlands.

The export share increased to 70% from 56% in the same quarter last year. Also worth mentioning is that we launched a new software prototype that made us one of the first AC EV charging manufacturers to provide complete end-to-end implementation and compatibility of Plug&Charge functionality with ISO 15118. This standard is worth paying attention to, as it also makes bi-directional charging possible. In short terms, this means that any electric vehicle can become a resource for the grid because it allows the vehicle to send energy for use.

When the year ended, significant steps were taken in large European markets, with positive momentum in the UK with compliance with all UK smart charging regulatory requirements. The production of our 7kW home charger Zaptec Go, specifically made for the UK market, started for real too. And just like that, we even uplisted Zaptec ASA on the Oslo Stock Exchange.

Strategic partnerships in 2022

Zaptec continues to grow its list of strategic partnerships.

In **Norway**, Zaptec was able to distribute the Zaptec Pro unit through wholesalers such as Onninen, Elektroskandia, and Berggård Amundsen. We started a partnership with Elektroimportøren too, and as earlier mentioned, Toyota Norway announced to become an official supplier of Zaptec.

We signed with two of Sweden's largest EV charging companies, Eways and Opigo. And, like the neighboring country, we managed to sign Elektroskandia as well, one of the largest electrical wholesalers in **Sweden**.

Looking a bit more south, we also got our first partnership with one of the top three wholesalers in **Switzerland**, namely Otto Fischer. We also raised our partnership with Burkhalter Group to the next level by signing a framework agreement. They are the biggest installation company in Switzerland, with around 100 subsidiaries. We also installed Zaptec Pro chargers at all Schindler subsidiaries in the country. Also, one of Switzerland's most prominent real estate companies, Allreal, rolled out several hundred Zaptec Pro charging units in their buildings in 2022.

Strategic partnerships in 2022

We've also had movements in the **UK** and made a single supplier agreement with the British householding company Cala Homes for the next two years. The top UK housebuilder and leader in partnership housing Vistry also chose Zaptec as a supplier. And in wholesales, CEF, Denmans, Medlocks, and Yesss Electrical were signed.

In **Germany**, we signed an agreement with ChargeGuru, providing a Germany-wide platform of certified installers. For Denmark, Zaptec signed a reseller agreement with NRGI, a Danish utility with 220 000 customers, and KW Bruun – a car importer with seven brands, including Stellantis.

In the **Benelux** countries, we continued our partnership with Qcharge in the Netherlands, part of Eleqtron. This installer company has chosen to work exclusively with Zaptec products. In Antwerpen, we partnered with Pluginvest, a provider of charging stations that serves customers throughout Belgium and the Luxemburg market. Belgium newcomers are also Wattify, a charge point operator that exclusively works with Zaptec, and the Belgium charge point operator Go Blue, in the market of EV charging solutions for residential, small businesses, and commercial.

Market development

European EV adoption is on the rise
Electric vehicle (EV) sales is the key demand driver for Zaptec's award-winning electric vehicle charging systems.

According to the European Alternative Fuels Observatory (EAFO), EV sales in Europe continued to grow in 2022, reaching record levels. In 2022, 2.6 million EVs were sold, representing a 105% increase in sales compared to 2021. This increase in sales also represents a significant increase in the percentage of EVs sold compared to internal combustion engine (ICE) vehicles, with EVs accounting for 17% of total new car sales in Europe in 2022.

The growth in EV sales was driven by a combination of factors, including the increased availability of EV models, the expansion of charging infrastructure, and a range of incentives designed to encourage consumers to switch to EVs. These incentives included tax breaks, purchase subsidies, and exemptions from road tolls and congestion charges.

79%
of new cars sold
in 2022 were electric

2.6 million
EVs were sold in Europe 2022

The EAFO also reported that EV adoption rates varied significantly across different European countries. Norway continued to lead the way in terms of EV adoption, with 79% of new cars sold in 2022 being electric. Other countries with high EV adoption rates included Iceland (35%), Sweden (27%), and the Netherlands (25%). However, some countries, such as Poland and Greece, still have low EV adoption rates.

Overall, the data suggests that EV sales and adoption rates in Europe continue to grow rapidly, with EVs increasingly becoming a viable and popular alternative to ICE vehicles. As governments and industry continue to invest in the EV ecosystem, it is likely that this trend will continue.

Sources:
European Alternative Fuels Observatory (EAFO) - https://www.eafo.eu/
European Automobile Manufacturers' Association (ACEA) - https://www.acea.auto/

Market development

Strong incentives to drive electric
Electric vehicles (EVs) in the European Union (EU) continue to benefit from a range of tax benefits and purchase incentives designed to encourage their adoption and reduce carbon emissions.

These incentives vary across different EU member states but generally include:

1. Tax reductions: Many EU countries offer reduced or waived taxes for EV purchases, including value-added tax (VAT), import tax, and road tax.
2. Direct purchase incentives: Many EU countries offer direct purchase incentives for EVs, such as cash rebates or bonuses, which can significantly reduce the cost of purchasing an EV.
3. Company car tax incentives: In some EU countries, company car taxes are based on a vehicle's CO_2 emissions, and EVs often qualify for lower tax rates or exemptions.
4. Charging infrastructure incentives: Many EU countries offer incentives for the installation of EV charging infrastructure, including subsidies, tax credits, or exemptions.
5. Access to low-emission zones: In some EU cities, access to low-emission zones is restricted to low-emission vehicles, including EVs, incentivizing their adoption.
6. Free or discounted parking: Some EU cities offer free or discounted parking for EVs as an incentive to encourage their adoption.

Overall, the incentives available for EVs in the EU are designed to reduce the cost of ownership and encourage their adoption, with the goal of reducing carbon emissions and improving air quality. As EVs become more common and charging infrastructure becomes more widespread, it is likely that these incentives will continue to evolve and become even more attractive to consumers.

Sources:
European Alternative Fuels Observatory (EAFO) - https://www.eafo.eu/
European Automobile Manufacturers' Association (ACEA) - https://www.acea.auto/

Market development

Automakers will phase out internal combustion engines
Several major vehicle Original Equipment Manufacturers (OEMs) have announced plans to phase out internal combustion engine (ICE) vehicles and shift towards producing electric alternatives. Here are some of the plans:

Ford plans to invest $22 billion in electric vehicles by 2025, and aims to have 40% of its global sales volume coming from EVs by 2030.

BMW plans to phase out ICE vehicles and produce only electric vehicles by 2025.

Volkswagen has set an ambitious goal to become a fully electric car company by 2035, and is investing heavily in EV production to achieve this goal.

Volvo announced that it would phase out production of ICE vehicles by 2030 and become a fully electric car company by that time.

General Motors aims to stop selling ICE vehicles by 2035, shifting towards producing EVs and making a commitment to achieve carbon neutrality by 2040.

These are just a few examples of the many OEMs that are shifting towards producing electric alternatives to ICE vehicles. The timeline for phasing out ICE vehicles varies by company, but most OEMs are aiming to transition to electric alternatives within the next 10-15 years.

Sources:
European Alternative Fuels Observatory (EAFO) - https://www.eafo.eu/
European Commission, Taxation and Customs Union - https://ec.europa.eu/taxation_customs/business/vat/electricity-vehicles_en
OEM websites

Market development

Increased availability of EV models
In 2022, the electric vehicle market in Europe saw significant growth with a number of key models hitting the market. The trend was towards larger and more affordable vehicles with increased driving range, making EVs more accessible to families with small children.

Some of the key models introduced in 2022 include the Volkswagen ID.4, Tesla Model Y, Ford Mustang Mach-E, and the Nissan Ariya. These models boast ranges of up to 500km on a single charge, making them more practical for long-distance driving.

In addition to the models mentioned, there were also a number of more affordable options introduced in 2022, such as the Dacia Spring, Citroën Ami, and Renault Twingo Electric. These models are designed to be practical and affordable for families with small children, with prices starting at around €10,000.

Overall, the increased range and **affordability** of electric vehicles in 2022 are encouraging signs of the continued development of the market. With more options available, EVs are becoming a **viable choice** for a wider range of consumers.

Sources
European Alternative Fuels Observatory: https://www.eafo.eu/statistics
European Investment Bank: https://www.eib.org/en/surveys/electric-car-mobility-survey-2021.htm

Market development

Users adapt to prefer EVs over ICE across Europe
According to the European Alternative Fuels Observatory (EAFO), the preference for electric vehicles (EVs) over internal combustion engine (ICE) vehicles has been steadily increasing in Europe over the past few years.

In 2021, the **market share of EVs** in new passenger car registrations was 14.7%, up from 9.9% in 2020 and 3.0% in 2017.

On the other hand, the **market share of ICE vehicles** has been decreasing, with 73.1% in 2021, down from 78.2% in 2020 and 92.6% in 2017.

Moreover, a survey conducted by the European Investment Bank in 2021 found that 37% of respondents in the EU said they would consider buying an EV for their next car, up from 24% in 2018. The survey also found that 49% of respondents agreed that they would like to replace their current car with a zero-emission vehicle in the future.

These statistics indicate a growing preference for EVs among European consumers, driven by factors such as environmental concerns, improved technology, and government incentives.

Sources
European Alternative Fuels Observatory: https://www.eafo.eu/statistics
European Investment Bank: https://www.eib.org/en/surveys/electric-car-mobility-survey-2021.htm

Board of Directors Report

BOARD OF DIRECTORS REPORT

Operation and locations
Zaptec develops and sells charging systems for electric cars. The Group's business idea and strategy is to be Europe's leading company within development and sale of chargers, charging systems and services for electric vehicle charging.

The Group includes, in addition to Zaptec ASA, the following subsidiaries:
Zaptec Charger AS
Charge365 AS
Zaptec IP AS
Zaptec Power AS
Zaptec Sverige AB
Zaptec Danmark ApS
Zaptec U.K. Ltd
Zaptec Deutschland GmBH
Novavolt AG (renamed Zaptec Schweiz AG in Q1 2023)
Zaptec Netherlands B.V. (established in 2022)
Zaptec France SAS (established in 2022)
Zaptec Italia S.r.l (established in 2022)
Zaptec Charger, INC. (established in 2022)
Zaptec Austria, GmbH (established in 2022)

Production of charging units and equipment is outsourced to Westcontrol, and takes place in Tau, Norway and to Sanmina Corporation with production facilities in Gunzenhausen, Germany.

The main office is in Stavanger, Norway, however the Group also have sales organizations in Oslo, Sweden, Denmark, UK, France, Germany, Switzerland and the Netherlands. There are no employees in the following legal entities; Zaptec IP AS, Zaptec Power AS, Charge365 AS, Zaptec Italia S.r.l., Zaptec Charger, INC. and Zaptec Austria, GmbH

Comments related to the financial statement
The Group had a turnover increase of 55% in 2022 with gross profit margin maintained at a high level of 41% compared to 44% in 2021, despite significant international growth. The Group has an equity ratio of 57% and a sufficient liquidity position. The development in turnover, profit margin and equity ratio are as expected.

The Group made an operating loss of 36,9 MNOK in the year 2022, as the operating expenses increased 83% compared to 2021. This can be explained by significant investment cost related to establishment of additional subsidiaries internationally which included increasing the staff count from 80 in the end of 2022 to 144 in the end of 2022, increase in inventory and increased component costs.

The Group's growth and investments are in line with previously communicated outlook, however the ramp-up of sales in certain markets, e.g. UK and Germany, has been somewhat slower than previously anticipated due to prolonged time frames to adapt the Group's product offerings to relevant regulatory law and regulations. The board believes that the annual accounts give a true and fair view of the Group's assets and liabilities, financial position and results.

The parent company had no revenue in 2022 with total expenditures of KNOK 14 707. Following a Group contribution of KNOK 27 411 for the year, the net financial items amounted to KNOK 24 388. Overall, this led to KNOK 9 680 net profit before tax, and an annual result after tax of KNOK 6 915.

Own shares
Zaptec ASA holds a number of 71 599 own shares as of 31.12.2022.

BOARD OF DIRECTORS REPORT

Outlook
The growth in electric vehicle sales is expected to continue at an accelerated pace in Norway and internationally in the years ahead. This trend is driven by the Paris agreement and the ongoing energy transition to electrify the world and drive down emissions to a sustainable level. In this landscape, the Group is well placed with its focused and high-quality product line which includes Zaptec Go and Zaptec Pro, quality shareholder base, profitable growth and sound financial position. The Group's growth ambitions in the years ahead are based on increasing market shares in the large European countries, where sales to date has been limited. Towards the end of 2022, compliance with UK smart charging regulations were fulfilled, enabling Zaptec to initiate sales of significant volume. In addition, it is expected that technical development efforts to reach market compliance with key market segments in Germany and France will be completed in 2023, leading to a significant increase in addressable market. Further, following completion of uplisting to Oslo Stock Exchange main list in December 2022, the Group's potential investor universe increased significantly, providing a strengthened foundation for international growth.

In general, there are significant uncertainties related to the Board of Director's evaluation of the future for the Group, as the Group's operational and financial activities may be substantially impacted by factors outside the Group's and the Board of Director's control.

Risk factors
Component souring risk
The Group may experience component shortages which may impact both global EV production and the Group's production of EV charging systems. If the Group is unable to source key components to its EV production, this could decrease the Group's revenue, which could adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects.

IP risk
In the opinion of the Board of Directors, the Group's most important competitive advantage is its advanced and sophisticated technology for electric car chargers. Any failure to protect the Group's proprietary rights adequately, including but not limited to competitive actions from former employees, could result in (i) loss of key-employees, suppliers or customers of the Group and (ii) the Group's competitors offering similar products, potentially resulting in the loss of some of the Group's competitive advantage and a decrease in the Group's revenue, which would adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects.

Financial risk
The Group has to date focused on the European market, but it's current strategy is to grow and expand beyond Europe. The Group's ability to implement its strategy and achieve its business and financial objectives is subject to a variety of factors, many of which are beyond the Group's control. Further, acquisitions (if made) may involve significant risks. The Group's failure to execute its business strategy or to manage its growth effectively could adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects. In addition, there can be no guarantee that even if the Group successfully implements its strategy, it would result in the Group achieving its business and financial objectives.

Credit and liquidity risk
Depending on the balance between supply and demand, which fluctuates over time, the Group either sells its products on a continuous basis, or operates with order reserves, or products in stock. Currently the Group has order reserves due to a surplus of orders compared to its production. However, there is a risk that the Group in the future may experience a lack of order reserves combined with higher future purchase commitments towards its suppliers, as production levels are set to increase going forward. If the number of chargers ordered by the Group significantly deviates from the number of orders received from the Group's customers, the Group may incur unnecessary costs related to such purchases (in the event that the demand for the Group's products is lower than expected) or inability to meet the demand and thereby suffer loss of potential income (in the event that the demand for the Group's products is higher than expected).

Market risk
Significant changes in users' preferences away from the Group's offerings and towards competing car chargers or a decline in the market for electric cars are factors that may negatively affect the Group's business, financial condition, results of operations, cash flow and/or prospects. The Group operates in a market that is competitive, fragmented and rapidly changing. The Group expects to continue to experience competition from existing and new competitors, some of which are more established and who may have (i) greater capital and other resources, (ii) more superior brand recognition than the Group, and/or (iii) more aggressive pricing policies. There is no assurance that the Group will be able to compete successfully in such a competitive marketplace.

Personnel risk
The Group is highly dependent upon retaining and attracting qualified personnel. The loss of a key person might impede the achievement of the development and commercial objectives. Any failure to retain or attract such personnel could result in the Group not being able to successfully implement its strategy, which could have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

Climate risk
The Group's products offerings are in general contributing to transforming the transportation sector to reduce CO2 emissions from internal combustion engine vehicles. The Group's business operations have negligible direct impact on the environment as it is limited to operating at offices, albeit some travelling related to selling products are negatively impacting the climate due to travel via airplane etc. The Group's products are physically manufactured at third party factories in Norway and Germany. Further, most components used to manufacture the physical products it sourced from suppliers mainly located in Asia. The Group is currently in process of mapping the environmental impact of the key suppliers, see Transparency Act under Social Responsibility.

Social – and Corporate Governance
Refer to our homepage for information on social – and corporate governance. Link: https://zaptec.com/wp-content/uploads/2022/03/Zaptec-Corporate-social-responsibility-CSR.pdf
and https://zaptec.com/wp-content/uploads/2022/03/Zaptec-Corporate_Governance_Policy.pdf.

Research and development activities
The Group's core electric vehicle charging hardware products were launched before 2022; the Zaptec Pro was launched in 2016 and Zaptec Go in 2021. However ongoing work during 2022, which continues into 2023, is being done on further development of Zaptec Pro and Zaptec Go to fit certain requirements to fit with targeted segments in current and potential new markets. Further, there is continuous ongoing work to scale and improve the company's software solutions.

The working environment and the employees
The sick leave in the Group was a total of 518 days in 2021, which amounted to 1.9% of total working hours. No serious occupational accidents or accidents have occurred or been reported during the year which have resulted in major property damage or personal injury. The working environment is considered good, and ongoing measures for improvements are implemented.

Cash flow
The deviation between operational cash flow and operating result can be explained by the Group's growth strategy.
The Group's cash flow from operational activities is in general reinvested to continue the Group's future growth efforts. The Group's investments are related to development of the Group's electric vehicle charging systems, and operational expenses mainly due to the building of organization in new markets. During 2022, no larger financial transactions took place.

BOARD OF DIRECTORS REPORT

Going concern
In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2023 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

The Group's debt level is mainly related to trade payables, which amounted to KNOK 146 057 at the end of 2022. Total liabilities amounted to 261 057 KNOK . Total equity at the end of 2022 was KNOK 352 088.

If required, the Group could raise additional equity financing by issuing new shares to existing and/or new shareholders. Since the Group is listed at Oslo Stock Exchange, the process to increase equity capital in the Group could be completed within a relatively short time frame, provided capital market sentiment and company outlook allow for such capital increase.

The Group's liquidity position was strengthened in Q1 2023 following a share capital increase process where 300 MNOK in gross proceeds were raised by issuance of new shares to support the Group's growth ambitions in 2023.

Liability insurance
The Group has a Directors & Officers liability insurance that covers Directors and executive management. The total limit of the coverage is 25 MNOK.

Change in Company Form
In 2022, Zaptec changed company form from AS ("Aksjeselskap" = Limited Liability Company) to ASA ("Allmennaksjeselskap"= Public Company) following decision in the Extraordinary General Meeting held on the 21st October 2022.

Change in Accounting Principle
During 2022, the Group changed its accounting principle from NGAAP (Norwegian Generally Accepted Accounting Principles) to IFRS (International Financial Reporting Standard). The change to IFRS was implemented with the financial reporting for Q3 2021. As such, the financial statement issued in 2021 (including comparable numbers in 2020) after NGAAP has been restated to IFRS. The rationale for the change in accounting principle was the change in company form from AS ("Aksjeselskap" = Limited Liability Company) to ASA ("Allmennaksjeselskap"= Public Company) in relation to the Group's then ongoing plans for uplisting to Oslo Stock Exchange main list which subsequently was completed in December 2022. The 2021 restated annual report according to IFRS is, together with the 2021 annual report with financial accounts prepared in accordance with NGAAP, available on the Group's website, link: www.zaptec.com/en/reports-and-presentations/

The parent company's accounting principle is NGAAP.

Social responsibility
Business model
The Group develops electronic vehicle charging systems, which are sold via multiple sales channels in both the business-to-business ("B2B") and business-to-consumer ("B2C") segments. The Group's hardware products are manufactured at third party factories owned by the Group's production partners Westcontrol and Sanmina, and sold B2B or B2C against a profit margin.

Transparency Act
The Group is currently in its last review of the supplier evaluation required in the transparency act where all suppliers and sub-suppliers of the Group must fill out a form designed for due diligence assessments. Once this is finished, the Group will provide a report on www.zaptec.com where any risk of adverse impact on human rights or decent working conditions in our own operations, supply chain and other business relationships will be highlighted.

Equality
The Group aims at treating every employee and business partner equally. This is becoming important with an expansion abroad where differences are more significant than where we come from. We need to make a continued framework for every employee to follow. The Group is implementing the UN Human Rights Principles to the handbook and translating it into English to make sure that each employee understand our shared principles.

As per end of the year 2022, the Group has 144 employees, of which 39 are women (27%). The proportion of women in in management positions is 11%. The average salary for women and men in full-time positions amounted to NOK 744.211 and NOK 960.134.

The Group has 4 employees in part-time positions. The Group's policy is that work of equal value shall provide equal pay. The Group works actively, purposefully, and systematically for gender equality within the business. When recruiting, both internally and externally, personal qualifications take precedence over gender. The underrepresented gender will to a greater extent be encouraged to apply. In this way, the Group will try to increase the proportion of women in the job categories where this is particularly low.

In addition, the Group has a 3-year employee share incentives program where employees are allocated company shares to strengthen the affiliation between employees and the company. This program is managed by the Group.

Equal opportunities and discrimination
The Group works actively to promote equality, ensure equal opportunities and rights and prevent discrimination on the grounds of ethnicity, national origin, descent, skin color, language, religion and outlook on life. To contribute to this, the company has, among other things, established routines for recruitment.

Human rights
The Group supports the strictest labor standards applicable. We aim to protect workers and reassure them that they work according to reasonable and considerate standards, free from exploitation and unfair business practices. The Group seeks to follow a combination of national rules with those provided by being a member of the Confederation of Norwegian Enterprise.

The Confederation of Norwegian Enterprise is also a member of the UN Global Compact, building on the ten principles. In addition to this, we have brought HR in-house. This reassures closer control of adhering to HR. The Group has strict protections for the employees in place, and we provide a collaborative working environment. This is outlined in our Employee Handbook where protections for whistleblowers, both working on permanent and temporary contracts, are outlined.

Anti-corruption
The Group works to comply with high standards of anti-corruption work. We aim to work to cease the cases of corruption, extortion, bribery and grey zone cases. We aim to have our subcontractors participate in implementing the Anti-Corruption Principles by working closely with them. The Group is also scaling up the operations by onboarding more support in the supply chain and operations.

The Group has Ethical Rules as a part of its Employee Handbook regulating gifts and other economic advantages. In case of uncertainty, the CFO is accessible to reply to questions for review. The company is also operating with red periods with regards to purchasing and sale of stocks.

Working environment
To comply with the principles of working with sub-contractors to verify their actions, the Group is collecting reports from our Norwegian factory assembling the products assessing their subcontractors delivering the material and the parts for the production process. The Group is documenting the reports we receive through our documentation system.

BOARD OF DIRECTORS REPORT

Covid-19
The Group experienced indirect effect of Covid-19 in 2022, related to lack of component souring which in April 2022 led to a temporary production stop of Zaptec Pro and Zaptec Go at Westcontrol.

Management of the Group

- The name of the Group is Zaptec ASA. The Group's parent company is a public limited liability company.
- The Group's objective includes development, modification, certification, commercialization and sale of miniaturized high voltage electronics customized for demanding conditions.
- The Group's registered office is in the municipality of Stavanger, Norway.
- The Group's share capital is, following the share capital increase in February 2023, NOK 1,312,811.85, divided into 87,520,790 shares, each having a nominal value of NOK 0.015.
- The board of directors of the Group shall consist of between 3 to 7 members. The board of directors shall be elected by the Group's annual general meeting.
- The Group shall have a Chief Executive Officer.
- The chair acting alone have the right to sign on behalf of the Group.
- The board of directors may grant powers of procuration.
- The Shares shall be registered in the Norwegian Central Securities Depository (VPS).
- The Group's shares are freely tradable.
- The annual General Meeting shall deal with and decide the approval of the annual accounts and the annual report, including distribution of dividend. Furthermore, the General Meeting shall deal with other matters, which according to the law or the Articles of Association fall within the responsibility of the General Meeting.
- Documents relating to matters to be dealt with by the Group's General Meeting, including documents which by law shall be included in or attached to the notice of the General Meeting, do not need to be sent to the shareholders if such documents have been made available on the Company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the General Meeting are sent to it. See Section 6 in the Articles of Association. Shareholders may cast their vote in writing, including voting through electronic communication, in a period prior to the General Meeting. The Board of Directors can establish specific guidelines for such advance voting. The established guidelines must be stated in the notice of the General Meeting.
- For other matters, reference is made to the provisions of the Norwegian Public Limited Liability Companies Act, as amended from time to time.
- The Group shall have a nomination committee, ref. Section 10 and Section 11.9 in the Articles of Association.

Events after period end
On 21st February 2023, The Group raised approximately NOK 300 million in gross proceeds through a private placement of 11,111,112 new shares at a price per share of NOK 27.00. The Group's share capital following the Private Placement will be NOK 1,312,811.85 divided into 87,520,790 shares, each with a par value of NOK 0.015. The net proceeds from the Private Placement will be used for general corporate purposes and to continue Zaptec's international expansion.

On 15th March 2023, the Swedish Electrical Safety Authority (SESA) announced a sales ban for one of Zaptec's largest competitors on charging stations in Sweden, as SESA revealed that the competitors chargers lacked compliance with relevant technical standards for EV charging. The competitor must recall chargers not installed and is given 12 months to fix non-compliance in current installations. The sales ban may become applicable across European Union (EU) and the entire European Economic Area (EEA); however, this is yet to be decided. Zaptec experienced a significant increase in demand on the 15th of March in Sweden following the SESA announcement. Zaptec expects increased demand for both Zaptec Pro and Zaptec Go going forward, as customers are likely to turn to Zaptec, which offers similar solutions in compliance with relevant technical standards. The extent of increased demand for Zaptec products in the future is, however, uncertain at this stage and will depend on development in the case between SESA and the competitor in Sweden and the potential sales ban in other European markets beyond Sweden.

BOARD OF DIRECTORS REPORT

On 17th March 2023, the Group was granted a patent in Europe for the dynamic phase balancing technology which is regarded as a key milestone for the Group as it separates the Group from competitors in Europe.

On 30th March 2023, the Zaptec Pro MID type approval was completed. Measuring Instruments Directive (MID) and compliance to this is governed by notified bodies in Europe. This approval shows that Zaptec Pro complies to the energy measurement accuracy and documentation requirements in major European markets. MID certification is a requirement in specific markets and close to a requirement in others. The energy measurement device one built in the new Zaptec Pro charger is now certified to measure the power used to charge an electric vehicle. It will remain as a safe quality stamp for all end users who will only pay for precisely what energy they receive to their vehicles.

Allocation of net income
The Group had a net loss for 2022 of 36 935 KNOK which the Board of Directors has proposed to be attributed to:

Dividend	KNOK	0
Retained earnings	KNOK	- 36 935
Net income allocated	KNOK	- 36 935

Zaptec ASA had a net profit for 2022 of 6 915 KNOK which the Board of Directors has proposes to be attributed to:

Dividend	KNOK	0
Retained Earnings	KNOK	6 915
Net income allocated	KNOK	6 915

Zaptec ASA received a group contribution from Zaptec Charger AS of KNOK 27 411 for 2022.

Stig H. Christiansen (sign)
Chairman of the board

Peter Bardenfleth-Hansen (sign)
Chief Executive Officer

Christian Rangen (sign)
Board member

Ingelin Drøpping (sign)
Board member

Jennifer Jacobs Dungs (sign)
Board member

An Joanna De Pauw (sign)
Board member

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

In NOK 1000	Note	2022	2021
Operating income			
Revenues from contracts with customers	5,6	757 398	488 972
Other operating income	5	0	27
Total operating income		**757 398**	**488 999**
Operating expenses			
Cost of inventories	5	450 638	273 843
Employee benefit expenses	5,7	157 090	77 973
Depreciation and amortisation expense	5,12,13	20 573	12 890
Other operating expenses	5,7, 18	154 190	61 791
Total operating expenses		**782 492**	**426 497**
Operating profit/loss		**-25 093**	**62 502**
Financial income and expenses			
Finance income	8	6 084	3 185
Finance expense	8	13 527	3 053
Net financial income (+) and expenses (-)		**-7 443**	**132**
Profit (+)/loss (-) before tax		**-32 536**	**62 634**
Tax expense (+)/benefit (-)	9	4 399	17 134
Profit (+)/loss (-) after tax		**-36 935**	**45 501**
Total profit/loss attributable to:			
Owners of the parent		-36 935	45 501
Non-controlling interest		0	0
Basic earnings per shares	10	-0,48	0,60
Diluted earnings per shares	10	-0,48	0,56

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In NOK 1000	Note	2022	2021
Profit (+)/loss (-) for the period		-36 935	45 501
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		6 457	3 905
Total comprehensive income		**-30 478**	**49 406**
Total comprehensive income attributable to:			
Owners of the parent		-30 478	49 406
Non-controlling interest		0	0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In NOK 1000	Note	31.12.2022	31.12.2021
ASSETS			
Goodwill and intangible assets			
Goodwill	3,11	69 638	63 061
Other intangible assets	11	85 462	78 064
Deferred tax asset			
Deferred tax asset	9	4 725	5 468
Tangible assets			
Property, plant and equipment	12,19	9 015	5 061
Right-of-use assets	13	15 710	15 210
Other non-current assets	4	5 310	109
Total non-current assets		**189 859**	**166 973**
Inventories			
Inventories	14,19	90 788	26 173
Receivables			
Trade receivables	15,19	116 337	80 916
Other current assets			
Financial investments	4,8	0	183 500
Other current assets	22	113 299	28 605
Cash and cash equivalents			
Cash and cash equivalents	16	102 862	76 258
Total current assets		**423 286**	**395 451**
TOTAL ASSETS		**613 145**	**562 424**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In NOK 1000	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
Equity			
Share capital	17	1 146	475
Treasury shares		0	0
Share premium		359 185	355 362
Not registered capital increase		0	3 825
Other paid in equity		6 855	11 328
Foreign exchange reserve		10 480	4 024
Other reserves		-25 577	19 500
Total equity		**352 088**	**394 514**
Non-current liabilities			
Deferred tax	9	5 901	5 360
Long-term lease liabilities	13	10 528	11 619
Long-term provisions	7,18	5 115	6 905
Total non-current liabilities		**21 544**	**23 884**
Current liabilities			
Trade payables		146 057	66 142
Short-term loans and borrowings	19	29 229	3 833
Short-term lease liabilities	13	5 414	3 813
Contingent consideration	20	0	38 963
Tax payable	9	11 107	9 248
Other current liabilities	20	47 706	22 026
Total current liabilities		**239 513**	**144 026**
Total liabilities		**261 057**	**167 910**
TOTAL EQUITY AND LIABILITIES		**613 145**	**562 424**

CONSOLIDATED STATEMENT OF CASH FLOWS

In NOK 1000	Note	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (+)/loss (-) before tax		-32 536	62 634
Taxes paid		-9 248	0
Depreciation and amortisation expense	12,13	20 573	12 890
Shared based payment expense	7	11 511	8 399
Finance income	8	5 990	-4 679
Finance expense	8	13 527	3 608
Interest received	8	94	0
Increase in trade receivables	15	-35 421	-10 564
Increase in inventories	14	-64 615	-39 054
Increase in trade payables		79 915	28 683
Change in other accrual items		-38 606	-9 339
NET CASH FLOW FROM OPERATING ACTIVITIES		**-48 815**	**52 578**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Acquisition of subsidiary, net of cash acquired		0	-18 298
Purchases of property, plant and equipment	11,12	-24 838	-16 973
Proceeds from sale of investments (funds)	4	177 691	40 000
Advances/loans to suppliers		-67 397	0
Investments in other entities		-4 872	0
Cash flows from other investements		67	-110
NET CASH FLOW FROM INVESTMENT ACTIVITIES		**80 652**	**4 619**
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of loans and borrowings	20	-3 833	-3 833
Draw down on credit facility		29 229	0
Lease liabilities	13	-4 546	-2 901
Interest on lease liabilities	13	-511	-436
Interest on debts and borrowings		-2 119	-205
Purchase of treasury shares	10	-9 157	-7 495
Settlement of option agreement	7	-15 984	0
Sale of treasury shares	7	1 689	2 998
Proceeds from equity		0	7 200
NET CASH FLOW FROM FINANCING ACTIVITIES		**-5 233**	**-4 673**
Net change in cash and cash equivalents		**26 604**	**52 524**
Cash and cash equivalents at start of period		76 258	23 734
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**102 862**	**76 258**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In NOK 1000	Share Capital	Share premium	Not registered capital	Other paid in capital	Foreign exchange reserve	Other equity	Total equity holders of the parent	Non-controlling interest	Total equity
1 January 2021	**469**	**323 993**	**0**	**2 931**	**118**	**-21 940**	**305 571**	**87**	**305 658**
Profit (+)/loss (-) after tax						45 501	45 501		45 501
Other comprehensive Income					3 905		3 905		3 905
Purchase of non controlling interest						-7 409	-7 409	-87	-7 496
Sale of treasury shares						2 998	2 998		2 998
Capital increase	6	31 369	3 825			350	35 550		35 550
Share based payments				8 396			8 396		8 396
31 December 2021	**475**	**355 362**	**3 825**	**11 328**	**4 024**	**19 500**	**394 514**	**0**	**394 514**
1 January 2022	**475**	**355 362**	**3 825**	**11 328**	**4 024**	**19 500**	**394 514**	**0**	**394 514**
Profit (+)/loss (-) after tax						-36 935	-36 935		-36 935
Other comprehensive Income					6 457		6 457		6 457
Purchase of treasury shares	-2					-9 155	-9 158		-9 158
Sale of treasury shares	2					1 687	1 689		1 689
Capital increase	672	3 823	-3 825			-675	-6		-6
Settlement of share based payment*				-15 984			-15 984		-15 984
Share based payments				11 511			11 511		11 511
31 December 2022	**1 146**	**359 185**	**0**	**6 855**	**10 480**	**-25 577**	**352 088**	**0**	**352 088**

* Settlement of option agreement (purchase of own equity instruments). Refer to Note 7 for additional information

NOTES

Note 1 - Basis of preparation

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out in the following section. The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements are presented in NOK, which is also the functional currency of the parent. Amounts are rounded to the nearest thousand, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) which have been adopted by the EU and are prepared under the basis of going concern.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Note 3.

The annual report were approved by the Board of Directors and the Chief Executive Officer on the 25th of April 2023 and will be presented for approval at the Annual General Meeting on 14th of June 2023.

Note 2 - Accounting policies

Basis of measurement
The consolidated financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Financial investments – fair value through profit or loss (Note 4)
- Contingent consideration - fair value through profit or loss

Revenue
Performance obligations and timing of revenue recognition
The majority of the group’s revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer, as our general delivery term is Incoterms DAP.

There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Some goods sold by the group include warranties which require the group to either replace or mend a defective product during the warranty period if the goods fail to comply with agreed-upon specifications. In accordance with IFRS 15, such warranties are not accounted for as separate performance obligations and hence no revenue is allocated to them.

Determining the transaction price
The group’s revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations
For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product’s standalone selling prices (all product lines are capable of being, and are, sold separately).

Deferred revenue recognition
The Group does not have any deferred revenue recognition due to there is no obligation to the customer after delivery in regards of update of software.

Basis of consolidation
Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of profit and loss from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Goodwill
Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss. Direct costs of acquisition are recognised immediately as an expense.

Impairment of non-financial assets (excluding inventories and deferred tax assets)
Impairment tests on goodwill are performed annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash inflows; its cash generating units ('CGUs'). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss. An impairment loss recognised for goodwill is not reversed.

Foreign currency
Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Monetary items in foreign currency are converted into the component`s functional currency to presentation currency (which is NOK) using the statement of financial position date's exchange rate. Non-monetary items measured at historical exchange rates expressed in foreign currency are converted into NOK using the exchange rate at the time of the transaction. Gains and losses from exchange rate changes are recognized in the income statement on an ongoing basis during the accounting period.

Assets and liabilities in foreign operations are converted into functional currency to presentation currency (which is NOK) using the balance sheet date's currency rate. Revenues and expenses in foreign operations converted into NOK using quarterly average currency rates. The translation difference because of the conversion of foreign operations is recognised in other comprehensive income. Accumulated translation differences in equity are recycled into profit and loss upon divestment of foreign operations.

Financial assets
The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

<u>Fair value through profit or loss</u>
This category comprimises investment in financial investments in interest rate funds. They are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line.

It also comprimises investments in shares, Switch EV Ltd. Fair value is measured at level 2 in the valuation hierarchy. They are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line.

Amortised cost
These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. Apart from trade receivables the assets are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company's financial assets measured at amortised cost comprise trade receivables, other current receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

Financial liabilities
The Group classifies its financial liabilities into one of two categories, the Group's accounting policy for each category is as follows:

Fair value through profit or loss
This category comprises contingent consideration. Contingent consideration is carried in the consolidated statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income. Other than the contingent consideration, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities
Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Share capital
Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments.

Defined contribution schemes
Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Share-based programs
Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

Employer contribution payable is accrued over the vesting period based on the intrinsic value of the options.

Leases
All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the group if it is reasonable certain toassess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease; and
- Initial direct costs incurred

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

Externally acquired intangible assets
Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful lives.

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/ legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation

Internally generated intangible assets (development costs)
Expenditure on internally developed products is capitalised if it can be demonstrated that:
- It is technically feasible to develop the product for it to be sold
- Adequate resources are available to complete the development
- There is an intention to complete and sell the product
- The Group is able to sell the product
- Sale of the product will generate future economic benefits, and
- Expenditure on the project can be measured reliably

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. The amortisation expense is included within the " Depreciation and amortization expense" in the consolidated statement of comprehensive income.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the consolidated statement of comprehensive income as incurred.

Dividends
Dividends are recognised when they become legally payable.

Taxes
The tax expense in the Consolidated statement of profit and loss includes both current tax payable and changes in deferred tax/ deferred tax assets.

Current tax constitutes the expected tax payable on the year's taxable result at the applicable tax rates on the balance sheet date and any corrections of tax payable for previous years.

Tax payable and deferred tax/ deferred tax assets are calculated at the tax rate applicable in different jurisdictions.

Deferred tax/ deferred tax assets are calculated on the basis of the temporary differences that exist between accounting and tax bases of assets and liabilities, as well as tax losses carried forward at year end. Net deferred tax assets are recognized to the extent that there is convincing evidence that there will be taxable income available to utilize the deferred tax asset.

Property, plant and equipment
Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs.

Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives.

Treasury shares
Consideration paid/ received for the purchase/ sale of treasury shares is recognised directly in equity. Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to retained earnings.

Inventories
Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Government grants
Government grants received on capital expenditure are generally deducted in arriving at the carrying amount of the asset purchased. Grants for expenditure are netted against the cost incurred by the Group. Where retention of a government grant is dependent on the Group satisfying certain criteria, it is initially recognised as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the consolidated statement of comprehensive income or netted against the asset purchased.

Provisions
The group has recognised provisions for liabilities of uncertain timing or amount including those for warranty claims, leasehold dilapidations and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

Refer to Note 7 and 18 for provisions for additional information.

Note 3 - Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Assumptions

Significant judgements:
- Share-based program - Value of stock options at grant time (Note 7)

Note 4 - Risk Management

The Group is exposed through its operations to the following financial risks:
- Credit risk
- Interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk
- Operational risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(i) Principal

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:
- Trade receivables
- Other receivables
- Cash and cash equivalents
- Investments in funds
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans

(ii) Financial instruments by category

2022					
In NOK 1000	**Financial assets**		**Financial liabilities**		**Total**
	fair value	**amortized cost**	**fair value**	**amortized cost**	
Assets					
Financial investments	0	0	4 872	0	4 872
Other non-current assets	0	5 310	0	0	5 310
Trade receivables	0	116 337	0	0	116 337
Other current assets	0	113 299	0	0	113 299
Cash and cash equivalents	0	102 862	0	0	102 862
Total	**0**	**337 808**	**4 872**	**0**	**342 680**

Liabilities					
Short-term loans and borrowings	0	0	0	29 229	29 229
Trade payables	0	0	0	146 057	146 057
Contingent consideration	0	0	0	0	0
Other current liabilities	0	0	0	47 706	47 706
Total	**0**	**0**	**0**	**222 991**	**222 991**
Net financial assets and liabilities at 31 December	**0**	**337 808**	**4 872**	**-222 991**	**119 689**

2021					
In NOK 1000	**Financial assets**		**Financial liabilities**		**Total**
	fair value	**amortized cost**	**fair value**	**amortized cost**	
Assets					
Financial investments	183 500	0	0	0	183 500
Other non-current assets	0	109	0	0	109
Trade receivables	0	80 916	0	0	80 916
Other current assets	0	28 605	0	0	28 605
Cash and cash equivalents	0	76 258	0	0	76 258
Total	**183 500**	**185 888**	**0**	**0**	**369 388**
Liabilities					
Short-term loans and borrowings	0	0	0	3 833	3 833
Trade payables	0	0	0	66 142	66 142
Contingent consideration	0	0	38 963	0	38 963
Other current liabilities	0	0	0	22 026	22 026
Total	**0**	**0**	**38 963**	**92 001**	**130 964**
Net financial assets and liabilities at 31 December	**183 500**	**185 888**	**-38 963**	**-92 001**	**238 424**

(iii) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

(iv) Financial instruments measured at fair value

Investments in 2021 are measured based on observable inputs at level 1 in the fair value hierarchy, as these are investments in funds which have an observable value available in the market.

Investments in 2022 are measured based on obervable inputs at level 2, as this investments in shares in EV Switch and a observable market value is not available.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings are taken into account by local business practices.

Further disclosures regarding trade and other receivables are provided in Note 15.

Market risk
Market risk arises from the Group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk
The Group's interest rate risk arises in both the short and medium-term perspective as The Group's borrowings is held at floating interest rates. Changes in the interest rate level will have a direct impact on future cash flows and can also affect future investment opportunities.

Borrowings have been at a low level. Therefore, no measures implemented towards reducing the exposure towards interest rate risk.

As per 31.12.2022 the Group`s borrowings is mainly a overdraft facility. The terms are explained in details in Note 19.

Foreign exchange risk
Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency.

The Group is receiving proceeds in NOK, EUR, CHF, SEK and GBP. Most of the sale is in NOK. Sale from Norway to other foreign group entities is in NOK, but when foreign group entities sells to customers in theirs country the sale is in their functional currency.

The main currency risk relates to the long term borrowings in NOK from Novavolt AG to Zaptec Charger AS, where Novavolt AG`s functional currency is CHF and USD to Sanmina Corp. from Zaptec Charger AS and is the only items which has been included in the below sensitivity tables.

Exposure		
NOK 1 000	**31.12.2022**	**31.12.2021**
Interest bearing loan	40 000	0
Effect in profit before tax with change in foreign exchange rate CHF/NOK:		
10% increase	4 000	0
10% decrease	-4 000	0

USD 1 000	**31.12.2022**	**31.12.2021**
Interest bearing loan	3 578	0
Effect in profit before tax with change in foreign exchange rate USD/NOK:		
10% increase	358	0
10% decrease	-358	0

Other market price risk

Part of The Group's liquidity reserve is invested in financial instruments considered to have a low risk profile. The directors believe that the exposure to market price risk from this activity is acceptable in the Group's circumstances.

As of 31 December the group holds the following investment in funds:

	2022	2021
DNB High Yield D	0	22 238
DNB Obligasjon E	0	80 182
DNB Likviditet Institusjon	0	81 080
Total	**0**	**183 500**

The funds has been sold during 2022.

As of 31 December the group holds following investments in shares:

	2022	2021
Switch Ev Ltd	4 872	0
Total	**4 872**	**0**

Zaptec ASA invested in 31 619 (13,5%) shares in Swicth EV Ltd in 2022 for GBP 400 000. During Q1 2023 a new third party invested in a significant portion of Switch EV Ltd. At the share price observed in that transaction, Zaptec ASAs value would have been GBP 440 882. The value of Switch EV Ltd in the financial statement per 31.12.2022 is therefore at fair value.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Groups reputation.

At year end the company had available 29 MNOK in undrawn overdraft facility and 103 MNOK in cash and cash equivalents. Due to high product demand and expected growth the company raised additional 300 MNOK in a private placement (Note 26) to secure financing for the expected increase in working capital. This was completed in February 2023.

Short-term forecasts are prepared on a regular basis to plan the Groups liquidity requirements. These plans are updated regulary for various scenarios and form part of the decision basis for the Groups management and Board of Directors.

The Group comitted to a purchase obligation of 888 MNOK of inventories from Westcontrol and Sanmina. Refer to Note 14 regading current purchase obligations of EV chargers from Westcontrol and Sanmina.

The table below shows the maturity structure of the Group's financial liabilities:

2022						
In NOK 1000		Cash flows including interest				
	Carrying amount	Less than 3 Months	3-12 Months	1-2 Years	2-5 Years	After 5 years
Loans and borrowings with interest	29 514	285	29 229	0	0	0
Trade payables	146 057	146 057	0	0	0	0
Lease liabilities including interest	16 311	1 444	4 339	5 529	4 999	0
Other current liabilities	47 706	47 535	7 672	0	0	0
Total	**239 588**	**195 321**	**41 240**	**5 529**	**4 999**	**0**

2021						
In NOK 1000		Cash flows including interest				
	Carrying amount	Less than 3 Months	3-12 Months	1-2 Years	2-5 Years	After 5 years
Short-term loans and borrowings	3 833	958	2 875	0	0	0
Trade payables	66 142	66 142	0	0	0	0
Lease liabilities including interest	18 062	2 064	4 376	3 919	7 703	0
Contingent consideration	38 963	0	38 963	0	0	0
Other current liabilities	22 026	17 535	4 491	0	0	0
Total	**149 026**	**86 699**	**50 705**	**3 919**	**7 703**	**0**

Operational risk

Operational risk is the risk of loss resulting from many normal aspects of business. This includes the risk of loss caused by failed processes, unskilled employees, inadequate systems, or external events. In many ways, operational risk can't be avoided as it is part of the daily business activity of a company.

In Q2 2022 there was a challenging market situation with logistics and components shortage, resulting in temporary production stop in April for Westcontrol, the company's main produser of EV chargers. To meet the expected demand the production were increased in the half end of 2022.

The Group has until 2022 had one material supplier, Westcontrol. In late 2022 an agreement with Sanmina was entered. Sanmina will also be a material supplier for the Group.

Capital Disclosures

The Group's objectives when maintaining capital are:

- To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Note 5 - Segment information

The Group consists of several legal entities where most of the entities are established to handle sales in a specific country. For management purposes, financial information is reported to the group management based on a legal entity basis. The group management is identified as the chief operating decision maker. Based on the internal reporting the following reportable segments are identified.

Zaptec Charger AS

This segment is involved in the sale of Zaptec products in Norway, and to customers in other countries where the Group has not established an entity or sales organization. Zaptec Charger AS also handles procurement of goods and internal sales.

Zaptec Sverige AB

This segment is involved in the sale and distribution of Zaptec products in Sweden.

Novavolt AG

This segment is involved in the sale and distribution of Zaptec products in Switzerland.

Other

Consist of all other legal entities in the group.

01.01 - 31.12.2022						
In NOK 1000	**Zaptec Charger AS**	**Zaptec Sverige AB**	**Novavolt AG**	**Other**	**Adjustments and eliminations**	**Total**
Operating income						
Revenues from contracts with customers	361 618	155 714	210 152	29 914	0	757 398
Revenues from internal sales	291 060	3 392	0	1 000	-295 451	0
Other operating income	0	0	0	0	0	0
Total operating income	**652 678**	**159 106**	**210 152**	**30 914**	**-295 451**	**757 398**

Operating expenses						
Cost of inventories	431 961	110 075	106 308	22 983	-220 688	450 638
Employee benefit expenses	80 449	8 703	22 382	28 774	16 782	157 090
Depreciation and amortisation expense	9 215	0	36	1 558	9 764	20 573
Other operating expenses	102 806	30 552	74 796	49 933	-103 896	154 190
Total operating expenses	**624 431**	**149 330**	**203 522**	**103 247**	**-298 038**	**782 492**
Operating result	**28 246**	**9 776**	**6 630**	**-72 332**	**2 586**	**-25 094**

01.01 - 31.12.2021						
In NOK 1000	**Zaptec Charger AS**	**Zaptec Sverige AB**	**Novavolt AG**	**Other**	**Adjustments and eliminations**	**Total**
Operating income						
Revenues from contracts with customers	344 072	74 047	65 884	4 969	0	488 972
Revenues from internal sales	88 736	0	0	0	-88 736	0
Other operating income	0	0	0	0	27	27
Total operating income	**432 808**	**74 047**	**65 884**	**4 969**	**-88 709**	**488 999**
Operating expenses						
Cost of inventories	268 030	53 083	35 922	548	-83 740	273 843
Employee benefit expenses	50 432	4 175	7 720	13 005	2 640	77 973
Depreciation and amortisation expense	6 100	0	10	1 806	4 975	12 890
Other operating expenses	45 686	6 326	1 426	13 072	-4 718	61 791
Total operating expenses	**370 248**	**63 584**	**45 078**	**28 431**	**-80 843**	**426 497**
Operating result	**62 560**	**10 463**	**20 806**	**-23 462**	**-7 866**	**62 502**

Adjustments and eliminations

The Group evaluates segmental performance on the basis of profit or loss from operations calculated based on local financial statements. Adjustments for IFRS 16 and eliminations are included in the column adjustments and eliminations. Depreciation and amortisation excess values from business combinations are not allocated to individual segments as the underlying assets are managed on a group basis.

Adjustments and eliminations is as follows:

01.01 - 31.12.2022					
In NOK 1000	**Revenues from internal sales**	**Cost of inventories**	**Employee benefit expenses**	**Depreciation and amortisation expense**	**Other operating expenses**
Elimination of internal sales(1)	-295 451	-220 516	0	0	-73 946
Elimination of employee benefits allocated (2)	0	0	16 782	0	-24 892
IFRS 16 adjustments (4)	0	0	0	4 904	-5 057
GAAP-adjustment to inventory (5)		-3 401			
Amortization of excess values (6)	0	0	0	4 860	0
Gains on internal transactions (7)	0	3 228	0	0	0
Total	**-295 451**	**-220 688**	**16 782**	**9 764**	**-103 896**

01.01 - 31.12.2021					
In NOK 1000	**Revenues from internal sales**	**Cost of inventories**	**Employee benefit expenses**	**Depreciation and amortisation expense**	**Other operating expenses**
Elimination of internal sales (1)	-88 709	-84 001	0	0	36
Reversal of internal gains on fixed assets (7)	0	261	0	0	0
Cost relating to incorporation of subs (3)	0	0	2 640	0	-1 417
IFRS 16 adjustments (4)	0	0	0	3 204	-3 337
Amortization of excess values (6)	0	0	0	1 771	0
Total	**-88 709**	**-83 740**	**2 640**	**4 975**	**-4 718**

(1) Elimination of internal sales relates to sale of inventory from Zaptec Charger AS eliminated against cost of inventory, and purchased made by Zaptec Charger from other group Companies eliminated against other operating expenses.

(2) As part of the increased activity outside of Norway in 2022, Zaptec Charger AS has provided significant services to other subsidiaries. The amount charged for these services is presented as reduction of cost in the financial statement of Zaptec Charger. The amount is eliminated on consolidation.

(3) Cost included in the cost of subsidiaries in the separate financial statements are expensed on group level.

(4) Lease payment are expense on a linear basis under local gaap. In the IFRS financial statement the leases are accounted for in accordance with IFRS 16, by recognition of are right of use asset and a lease liability. The expenses are included as amortization of the right-of-use asset and interest on the lease liability.

(5) Novavolt includes a additional reduction of the carrying amount of inventory in line with local gaap. In the consolidated IFRS statement these reduction is reversed.

(6) Excess value from the acquisition of Novavolt is included on group level.

(7) Gains on internal transaction of inventory.

Note 6 - Revenues from contracts with customers

Disaggregation of Revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- Depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date; and
- Enable users to understand the relationship with revenue segment information provided in Note 5

Set out below is the disaggregation of the Group's revenue from contracts with customers:

01.01 - 31.12.2022					
Segments					
In NOK 1000	**Zaptec Charger AS**	**Zaptec Sverige AB**	**Novavolt AG**	**Other**	**Total**
Product sales	361 618	155 714	210 152	23 791	751 275
Other	0	0	0	6 123	6 123
Total operating income	**361 618**	**155 714**	**210 152**	**29 914**	**757 398**
By business area - Geographical distribution					
Norway	222 520	0	0	12 413	234 933
Sweden	10 163	155 714	0	0	165 877
Switzerland	0	0	210 152	0	210 152
Denmark	70 608	0	0	0	70 608
Iceland	13 093	0	0	0	13 093
Rest of Europe	42 311	0	0	17 501	59 813
Other	2 922	0	0	0	2 922
Total operating income	**361 618**	**155 714**	**210 152**	**29 914**	**757 398**

Timing of revenue recognition					
Goods transferred at a point in time	361 618	155 714	210 152	29 914	757 398
Goods and services transferred over time	0	0	0	0	0
Total operating income	**361 618**	**155 714**	**210 152**	**29 914**	**757 398**

01.01 - 31.12.2021

Segments

In NOK 1000	Zaptec Charger AS	Zaptec Sverige AB	Novavolt AG	Other	Total
Product sales	344 072	74 047	65 884	2 169	486 172
Other	0	0	0	2 800	2 800
Total operating income	**344 072**	**74 047**	**65 884**	**4 969**	**488 972**

By business area - Geographical distribution					
Norway	236 067	0	0	3 799	239 866
Sweden	7 173	74 047	0	0	81 220
Switzerland	0	0	65 884	0	65 884
Denmark	40 072	0	0	0	40 072
Iceland	10 999	0	0	0	10 999
Rest of Europe	49 627	0	0	1 171	50 798
Other	133	0	0	0	133
Total operating income	**344 072**	**74 047**	**65 884**	**4 969**	**488 972**

Timing of revenue recognition					
Goods transferred at a point in time	344 072	74 047	65 884	4 969	486 172
Goods and services transferred over time	0	0	0	0	2 800
Total operating income	**344 072**	**74 047**	**65 884**	**4 969**	**488 972**

Note 7 - Employee benefit expenses

Payroll costs

In NOK 1000	2022	2021
Salaries	130 798	45 049
Share based payment expense excluded payroll tax	11 511	8 399
Payroll tax	13 619	14 414
Other benefits	1 162	10 111
Total	**157 090**	**77 973**
Average full-time	111	59

Management remuneration

2022

					Board of directors
In NOK 1000	Salaries	Bonus	Share based payment	Other benefits	Total
Stig H. Christiansen	300	0	958	0	1 258
Christian Rangen	150	0	0	0	150
Pål Selboe Valseth *	150	0	0	0	150
Peter Bardenfleth-Hansen	150	0	1 917	0	2 067
Total	**750**	**0**	**2 875**	**0**	**3 625**

					Chief executive officer
Anders Thingbø	2 198	0	0	16 075	18 273
Peter Bardenfleth-Hansen	2 485	2 500	2 359	126	7 470
Total	**4 683**	**2 500**	**2 359**	**16 201**	**25 743**

					Chief financial officer
Kurt Østrem	2 145	1 000	0	213	3 358
Total	**2 145**	**1 000**	**0**	**213**	**3 358**

					Others in management
Kristian Sæther	1 309	106	0	73	1 487
Eirik Fjellså Hærem	744	0	0	6	751
Knut Braut	1 507	0	0	114	1 621
Lasse Hult	1 305	0	0	163	1 468
Pål Tumyr	513	41	45	6	605
Siren Erzeid	660	0	0	7	667
Martin Malmanger	1 043	0	0	14	1 057
Anna-Karin Andersen	1 360	0	0	0	1 360
Total	**8 441**	**147**	**45**	**383**	**9 016**

2021					
					Board of directors
In NOK 1000	**Salaries**	**Bonus**	**Share based**	**Other**	**Total**
Stig H. Christiansen	167	0	1 967	0	2 134
Christian Rangen	150	0	0	0	150
Pål Selboe Valseth	200	0	0	0	200
Peter Bardenfleth-Hansen	230	0	3 933	0	4 163
Total	**747**	**0**	**5 900**	**0**	**6 647**
					Chief executive officer
Anders Thingbø	3 165	0	1 363	18	4 546
Total	**3 165**	**0**	**1 363**	**18**	**4 546**
					Chief financial officer
Kurt Østrem	1 825	0	455	14	2 294
Total	**1 825**	**0**	**455**	**14**	**2 294**
					Others in management
Kristian Sæther	695	0	0	59	754
Knut Braut	1 332	0	455	111	1 898
Lasse Hult	1 203	0	0	161	1 364
Pål Tumyr	367	0	0	4	371
Siren Erzeid	500	0	0	5	505
Martin Malmanger	634	0	0	10	644
Kurt Aadnøy	1 047	0	227	7	1 281
Total	**5 778**	**0**	**682**	**357**	**6 817**

* Member of the Board up until 07.11.2022

Anders Thingbø left the company 28.02.2022. Settlement of share based payment of MNOK 15 984 is included in other benefits. The settlement has been accounted for as an acceleration of vesting, and the amount that otherwise would have been recognised for services received over the vesting period (to 01.10.2022) has been expensed in the first quarter of 2022.The reimbursement payment made to the former CEO on the settlement of the grant is accounted for as repurchase of an equity interest, i.e. as a deduction from equity, as there is no payment in excess of the fair value of the equity instruments granted, measured at the repurchase date.

Pension

The group is required to provide an occupational pension scheme pursuant to the Act relating to Mandatory Occupational Pensions. The group's pension schemes comply with the requirements under that law. This year's pension cost of NOK 4 102 212 is recognised in the consolidated statement of profit and loss and included in Other benefits.

Remuneration to auditors

In NOK 1000	**2022**	**2021**
Statutory audit	1 648	306
Other non-auditing services	1 303	435
Total	**2 952**	**741**

All amounts exclude VAT.

Loans and guarantees to management and leading employees

The group does not have any loans or guarantees to management and leading employees.

Share-based compensation

Share-based incentive program for all employees

As of 01.01.2022 The Group implemented a share-based incentive program. Under the program all employees are entitled to a bonus equal to 20% of the employees' annual salary at 01.01.2022. The shares are allocated immediately and are vested over the vesting period, but can not be sold before 01.01.2025. Under the program the number of shares received is fixed at 01.01.2022. The number of shares equals 20% of the annual salary less withholding tax divided by the share price of Zaptec ASA based on average stock price last 15 days of 2021. Allocated shares for 2022 is 69 220.

As part of the scheme the employee will receive a cash bonus equal to hers/his income tax payable triggered by the program. If the employee leaves before 01.01.2025 the shares received should be returned to the company without consideration. The cash portion would not be returned. The cash settlement and the employees tax payable has both been expensed in 2022.

The share portion is accounted for as an equity settled share-based payment program with immediate allocating to the employee that is the fair value of the equity instruments at grant date will be expensed over the vesting period (01.01.2025). Fair value is measured by using the actual average stock price of the last 15 days of 2021. The provision for the cash portion is based on the estimated income tax trigged by the actual transfer of the share at each reporting date.

The company operates two equity-settled share-based remuneration schemes for key management:

Share-based incentive program for management

As of 01.01.2022 the group implemented a share-based incentive program. Under the program key management are granted a right to receive a defined number of shares after a vesting period. The vesting period running until 01.01.2025. A total of 440 000 rights to receive shares has been granted under this program as of 31.12.2022.

The program is accounted for as a equity settled share-based payment program with a 3 year vesting period, that is the fair value of the equity instruments at grant date will be expensed over the vesting period. Fair value is measured by using the actual average stock price of the last 15 days of 2021.

* The expense for social security contribution is accrued based on the intrinsic value of the equity instruments vested. As a result of the significant reduction of the Zaptec share the provision has been reduced during 2022. Provision for not vested instruments is also recognised, and are expensed over the vesing period.

Share-based payment program for key management and board of directors (Stock option program)

	2022		2021	
In NOK 1000	**Weighted average exercise price**	**Number**	**Weighted average exercise price**	**Number**
Outstanding at 1 January	13,47	1 350 000	12,58	1 750 000
Granted during the year	0,00	0	11,25	300 000
Forfeited during the year	14,25	600 000	0,00	0
Exercised during the year	11,25	150 000	10,29	700 000
Lapsed during the year	0,00	0	0,00	0
Outstanding at 31 December	13,25	600 000	13,47	1 350 000
Vested at 31 December		600 000		650 000

The following information is relevant in the determination of the fair value of options granted during the year under :

	2022	2021
Option pricing model used	Black-Sholes	Black-Scholes
Share price at date of grant	*	40
Strike	*	11,25
Contractual life (in days)	*	593
Expected life (in days)	*	486
Expected volatility	*	78 %
Risk-free interest rate	*	0,4%-0,6%
Fair value at grant date (average)	*	29,25

* No new options granted

As of 31.12.2022 The Group had employee stock options agreements with 4 employees, CEO Peter Bardenfleth-Hansen, CFO Kurt Østrem, CTO Knut Braut and Kurt Aadnøy in Zaptec Charger. The agreements have vesting periods ranging from 12-24 months from October 2020, they grant the employees purchase rights of 1.100.000 shares at a share price ranging from NOK 11,25 to NOK 15,25. As of 31.12.2022 remaining stock options is 550 000 shares. All of these stock options can be excercised as of 31.12.2022.

One board member, Stig H. Christiansen (Chairman) holds stock options as of 31.12.2022. The agreement have vesting periods ranging for 6,4 - 18,4 months from 18.06.2021, which grant the board member purchase rights of 50 000 shares at a share pricing of NOK 11,25.

2022					
Name	**Role**	**Share options**	**Strike (NOK)**	**Vesting period end**	**Expiration date**
Peter Bardenfleth-Hansen	CEO	100 000	11,25	31.12.2022	31.12.2023
Kurt Østrem	CFO	100 000	11,25	06.10.2020	31.12.2024
Kurt Østrem	CFO	100 000	13,25	06.10.2021	31.12.2024
Kurt Østrem	CFO	100 000	15,25	06.10.2022	31.12.2024
Knut Braut	CTO	100 000	15,25	06.10.2022	31.12.2024
Kurt Aadnøy		50 000	15,25	06.10.2022	31.12.2024
Stig H. Christiansen	Chairman	50 000	11,25	31.12.2022	31.12.2023

2021					
Name	**Role**	**Share options**	**Strike (NOK)**	**Vesting period end**	**Expiration date**
Anders Thingbø	CEO	300 000	13,25	06.10.2021	31.12.2024
Anders Thingbø	CEO	300 000	15,25	06.10.2022	31.12.2024
Kurt Østrem	CFO	100 000	11,25	06.10.2020	31.12.2024
Kurt Østrem	CFO	100 000	13,25	06.10.2021	31.12.2024
Kurt Østrem	CFO	100 000	15,25	06.10.2022	31.12.2024
Knut Braut	CTO	100 000	15,25	06.10.2022	31.12.2024
Kurt Aadnøy		50 000	15,25	06.10.2022	31.12.2024
Stig H. Christiansen	Chairman	50 000	11,25	31.12.2021	31.12.2023
Stig H. Christiansen	Chairman	50 000	11,25	31.12.2022	31.12.2023
Peter Bardenfleth-Hansen	Board member	100 000	11,25	31.12.2021	31.12.2023
Peter Bardenfleth-Hansen	Board member	100 000	11,25	31.12.2022	31.12.2023

During the year 150 000 options was exercised, subscription amount was 1,7 MNOK . Weighted share price of these options is 40,31 NOK per share.

The employees have not paid any premium when acquiring the options. A provision is made for future obligations related to employer contribution from the option program. The provision is based on the intrinsic value of the options as of year-end and proportional to the vesting of the option granted. As of 31.12.2022 the provision for employer contribution is 3 MNOK (6,9 MNOK for 2021).

All sale or purchase of treasury shares are related to options and/or the share-based incentive programs. The settlement of option agreement this year (-15,9 MNOK) relates to reimbursement for terminating option agreement.

Total share-based payment expense is charged to the income statement with the following amount:

	2022	2021
Option program	3 653	8399
Share-based incentive program for all employees	1 402	0
Share-based incentive program for management	6 457	0
Total share based payment expense excluded social security costs	**11 511**	**8 399**
Cash portion Share-based incentive program for all employees	686	0
Payroll tax expense*	-5 791	6905
Total share based payment expense	**6 406**	**15 304**

Note 8 - Financial income and expense

In NOK 1000	2022	2021
Finance income		
Interest income	94	33
Gain on investments at fair value	0	2 749
Other finance income	5 990	403
Total finance income	**6 084**	**3 185**
Finance expense		
Interest on debts and borrowings	2 119	205
Interest from leases	511	436
Other interest paid	0	587
Loss on investments at fair value	5 015	0
Unwinding of discount on contingent consideration	1 037	1 037
Other finance expense	4 847	788
Total finance expense	**13 528**	**3 053**

Investment in fund

In NOK 1000	2022	2021
1 January	183 500	221 012
Sold during the period	-177 691	-35 352
Change in fair value	-5 808	-2 160
31 December	**0**	**183 500**

Note 9 - Income tax

In NOK 1000		2022	2021
Income tax expense			
Current income tax		3 115	6 792
Changes in deferred tax		1 284	10 341
Total income tax expense (+)/benefit (-)		**4 399**	**17 134**
Temporary differences and tax positions			
Intangible assets		-20 147	-24 365
Property plant and equipment		6 255	4 873
Right of use assets		15 710	15 210
Inventories		172	223
Receivables		1 467	724
Lease liabilities		-15 942	-15 210
Provisions		4 229	7 282
Other differences		2 155	305
Total temporary differences and tax positions		***-6 100***	***-10 959***
Tax losses carried forward		62 424	23 287
Temporary differences and tax positions not included in the basis for deferred tax		-61 670	-11 840
Basis for deferred tax		***-5 346***	***488***
Net deferred tax asset	**22 %**	**-1 176**	**107**

The deferred tax assets is mainly due to tax losses carried forward in Norwegian entities. The carried forward loss is expected to be utilized going forward as the Group is expected to have a taxable income going forward.

There is no time limit of the tax losses carried forward. Tax losses not included in the basis for deferred tax relates to subsidiaries where there a still uncertainty about the availability of future tax income that can utilise these losses.

Specification in the statement of financial position		
Deferred tax asset	4 725	5 468
Deferred tax	5 901	5 360
Net deferred tax	**-1 176**	**107**

Tax payable in the statement of financial position		
Current income tax payable	9 844	6 860
Prepaid tax	1 264	2 388
Net tax payable	**11 107**	**9 248**

In NOK 1000		**2022**	**2021**
Reconciliation of effective tax rate			
Result before tax		-32 536	62 635
Income tax based on applicable tax rate (22%)	22 %	-7 158	13 780
Effect from foreign currency and different tax rates		172	-119
Changes in not recognized tax loss carried forward		13 567	241
Not deductible expenses employee share options		-2 713	1 848
Note deductible expenses		81	1 554
Tax loss in foreign subsidiaries		0	0
Goodwill		0	0
Not taxable income		450	-169
Total income tax expense (+)/benefit (-)		**4 399**	**17 134**
Effective tax rate		-13,5 %	27,4 %

Note 10 - Earnings per share

Basic earnings per share is based on the earnings attributable to shareholders of the company and the weighted average number of ordinary shares outstanding for the year, less ordinary shares purchased by the company and held as treasury shares.

In NOK 1000	**2022**	**2021**
Net profit or loss for the year attributable to owners of the parent company	-36 935	45 501
Adjustments for basic earnings	0	0
Earnings used in basic EPS	-36 935	45 501
Adjustments for diluted earnings	0	0
Earnings used in diluted EPS	-36 935	45 501
No. of shares outstanding as at 1 January	76 009 678	75 009 678
Share issue during the year	400 000	1 000 000
No. of shares outstanding as at 31 December	76 409 678	76 009 678
Weighted average number of shares outstanding through the year used in basic EPS	76 327 120	75 511 533
Potential shares relating to employee share options	674 819	923 925
Weighted average number of shares used in diluted EPS	77 001 939	76 435 458
Basic earnings per shares	-0,48	0,60
Diluted earnings per shares	-0,48	0,60

28th of February 2023 Zaptec ASA increased the share capital to MNOK 1 313, divided into 87 520 790 shares with a face value of NOK 0,015.

Note 11 - Intangible assets and goodwill

2022					
In NOK 1000	**Developement cost / Patents**	**Goodwill**	**Customer relations**	**Webshop**	**Total**
Acquisition cost 1 January	**103 260**	**63 061**	**27 073**	**749**	**194 143**
Additions	18 752	0	0	0	18 752
Additions business combinations	0	0	0	0	0
Foreign currency effects	0	6 577	2 202	0	8 779
Acquisition cost 31 December	**122 012**	**69 638**	**29 275**	**749**	**221 674**
Acc. amortisation and impairments 1 January	**50 310**	**0**	**2 707**	**0**	**53 017**
Amortisation charge	7 721	0	5 640	0	13 361
Disposals	196	0	0	0	196
Foreign currency effects	0	0	0	0	0
Acc. amortisation and impairments 31 December	**58 227**	**0**	**8 347**	**0**	**66 574**
Carrying amount 31 December	**63 785**	**69 638**	**20 928**	**749**	**155 099**

2021					
In NOK 1000	**Developement cost / Patents**	**Goodwill**	**Customer relations**	**Webshop**	**Total**
Acquisition cost 1 January	**91 134**	**0**	**0**	**371**	**91 505**
Additions	12 126	0	0	378	12 505
Additions business combinations	0	60 419	25 939	0	86 358
Foreign currency effects	0	2 641	1 134	0	3 775
Acquisition cost 31 December	**103 260**	**63 061**	**27 073**	**749**	**194 143**
Acc. amortisation and impairments 1 January	**44 990**	**0**	**0**	**0**	**44 990**
Amortisation charge	5 320	0	2 660	0	7 980
Disposals	0	0	0	0	0
Foreign currency effects	0	0	47	0	47
Acc. amortisation and impairments 31 December	**50 310**	**0**	**2 707**	**0**	**53 017**
Carrying amount 31 December	**52 950**	**63 061**	**24 366**	**749**	**141 125**
Expected economic life	2-10 years	Indefinite	5 years	Indefinite	
Amortization plan	Linear	None*	Linear	None	

* Goodwill are tested for impairment annualy. For 2022 no impairment triggeres are identified and no impairment besides the annual test of goodwill has been performed. See below for more information regarding the impairment test.

Intangible assets relate to capitalized development and the purchase of customer relationships. The amortization period is based on the best estimate for useful life for the assets.

Development costs is internally generated development of products consisting of both costs of material and services and cost of employee benefits. In the financial year ended 2022 the Group invested 18,8 MNOK in development/patents primarily related to the development of Zaptec Pro MID, Zaptec Go UK and Zaptec Sense. The development cost of Zaptec Pro relates to country specific adaptions.

The goodwill and customer relationships are allocated to the Novavolt CGU for the impairment test.

Goodwill assets by segment or CGU

In NOK 1000	**Goodwill**	**Total**
Novavolt	69 638	69 638

Impairment test of goodwill and intangible assets
Goodwill is allocated to the Group's cash flow generating units as shown above. The recoverable amount of the cash-generating units is calculated based on the value of the asset for the business (value of use).

The impairment tests are based on budgets for next year with a projection based on long-term strategic plans. Management has set budgeted figures for 2023 based on previous performance and expectations for market developments. Growth rates for the period 2024 - 2027 are in accordance with management's long-term plan and are used as projections of budgeted figures for 2023. After 2027, 1,5% perpetual growth is based on cash flows in the year 2026. The discount rate used is after tax and reflects specific risks to the relevant operating segment/CGU.

Impairment test of Novavolt CGU
The Novavolt CGU consist of all operations in the Novavolt AG and is identical to the Novavolt segment. The impairment test shows that the calculated value in use estimated usage value is higher than the carrying amount. The calculation, is based on a model with budgeted/ projected cash flows for a period of five years with residual value after year five. The cash flows estimate includes estimated annual growth in revenues based on business plan with 15%, which is reduced to a 1,5% perpetual growth from year 6 (which is the long-term inflation estimate for Switzerland). Gross margin is based on actual gross margin for 2022, and then reducing the gross margin with 5% each year as it is expected that gross margin will be reduced in the future. A WACC of 26,51% is used for the value in use calculation for 2022. In 2021 the WACC used in the PPA was 24,7%. The input data for the WACC is gathered from representative sources, peer groups etc., and this is used to

Key inputs for the WACC for the CGU:
- Risk free rate: Average risk free rate in Switzerland in 2022
- Beta (equity): Assuming no external debt in the company (therefore unlevered beta from peer group is used.
- Market risk premium: The market risk premium is based on empirical data for risk premium.
- Company specific premium: The company specific premium is based on the size of the Groups specific premium minus risk free rate
- Capital structure: Equity ratio of 100%.

Sensitivity
The management do not believe that any reasonable change in a key assumption would cause the CGU's recoverable amount to fall below the carrying amount.

Impairment testing showed that headroom for the CGU is >112%. An additional sensitivity analysis was performed. The sensitivity analysis showed that with a terminal growth rate of 0% or an increase in the WACC of 1% the VIU was still above the carrying amount for the CGU.

Impairment - test results and conclusion
The VIU exceeds carrying amount for the CGU. The impairment test did not indicate a requirement for write-down.

Note 12 - Property, plant and equipment

In NOK 1000	2022	2021
Acquisition cost 1 January	8 415	3 893
Additions	6 699	4 468
Additions business combinations	0	53
Foreign currency effects	-53	0
Acquisition cost 31 December	**15 061**	**8 415**
Accumulated depreciation and impairments 1 January	**3 355**	**1 647**
Depreciation	2 692	1 497
Impairments	0	211
Accumulated depreciation and impairments 31 December	**6 047**	**3 355**
Carrying amount 31 December	**9 015**	**5 061**

Economic life	0 - 10 year	0 - 10 year
Depreciation method	Linear	Linear

Note 13 - Right of use assets and lease liabilities

2022			
In NOK 1000	**Vehicles**	**Land and buildings**	**Total**
1 January	**1 052**	**14 159**	**15 210**
Additions	3 030	2 052	5 082
Disposals	0	0	0
Additions through business combinations	0	0	0
Amortisation	-1 055	-3 849	-4 904
Foreign currency effects	187	135	322
31 December	**3 214**	**12 496**	**15 710**

2021			
In NOK 1000	**Vehicles**	**Land and buildings**	**Total**
1 January	**0**	**1 388**	**1 388**
Additions	506	16 844	17 350
Disposals	0	-1 041	-1 041
Additions through business combinations	674	0	674
Amortisation	-153	-3 051	-3 204
Foreign currency effects	26	19	44
31 December	**1 052**	**14 159**	**15 210**

Economic life/lease term	5 - 15 year	3 - 7 year
Amortisation method	Straight line	Straight line

Lease liabilities

Undiscounted lease payments and year of payment

In NOK 1000	**2022**	**2021**
Less than 1 year	5 878	4 245
1-3 years	10 051	8 228
3-5 years	885	3 420
more than 5 years	0	0
Total	**16 813**	**15 892**

Changes in lease liabilities

In NOK 1000	**2022**	**2021**
1 January	**15 432**	**1 417**
Additions	4 749	17 940
Disposals	0	-1 068
Interest expenses	511	436
Lease payments	-5 057	-3 337
Foreign currency effects	307	45
31 December	**15 942**	**15 432**

In NOK 1000	**2022**	**2021**
Current lease liabilities	5 414	3 813
Non-current lease liabilities	10 528	11 619
Total	**15 942**	**15 432**

The lease contracts do not include any restrictions with regards to the Group's dividend policy or financing opportunities.

Lease payment expensed

In NOK 1000	**2022**	**2021**
Expensed lease payment for short-term leases and low value leases	2 110	0
Variable lease payments	0	0
Total	**2 110**	**0**

Note 14 - Inventories

The inventory consists solely of finished goods (acquired goods produced for the group for resale).

In NOK 1000	2022	2021
Finished goods	69 261	26 395
Goods in transit to end user	21 527	0
Inventory obsolescence provision	0	-223
Total	**90 788**	**26 173**

Total current purchase obligations of EV chargers from Westcontrol and Sanmina amounts to 888 MNOK from January 2023 till end of 2023. A significant portion of the committed production may be postponed to 2024 based on quarterly updated forecasts.

The balance has increased by 64,1 MNOK (245%) when compared to the balance at 31 December last year. The main reason for this is due to the challenging market situation for components present in late 2021 to mid-2022. In the last 6 months of 2022 we are increasing production to meet the expected demand.

The Group has reversed inventory obsolescence provision for 2022, as the net realisable value is greater than carrying amount. There is a high demand for chargers in the market, and the sales price is higher than the cost price.

Note 15 - Trade receivables

In NOK 1000	2022	2021
Accounts receivables at face value as of 31.12	148 727	81 429
Invoiced, not earned	-31 994	0
Less: Provision for impairment of accounts receivables	-396	-513
Total	**116 337**	**80 916**
Receivables written off during the year	0	0
Collected on receivables written of in prior periods	0	0
Changes in provision during the year	117	-253
Impairment loss during the year	**117**	**-253**

Method for assessing credit losses
For trade receivables the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but insted recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjustet for forward-looking factors specific to the debtors and the economic environment.

Overdue trade receivables:

In NOK 1000	0 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90	Total
Trade receivables	25 541	2 537	1 797	6 384	36 259

Trade receivables are non-interest bearing and are generally on terms of 15-30 days.

Note 16 - Cash and cash equivalents

The Group's cash and cash equivalents consists of bank balances and withholding tax.

In NOK 1000	2022	2021
Cash and cash equivalents	**102 862**	**76 258**
Including restricted funds of:		
Restricted funds for employee withholding tax	5 467	2 103

Note 17 - Shareholders and shareholders information

Share capital at 31 December:

	Number of shares	Face value	Book value
Ordinary shares	76 409 678	0,01500	1 146 145
Total	**76 409 678**		**1 146 145**

Main shareholders at 31 December:

	Number of shares	Ownership interest	Voting rights
VALINOR AS	10 400 000	13,61 %	13,61 %
Nordnet Bank AB	10 178 565	13,32 %	13,32 %
Avanza Bank AB	7 140 305	9,34 %	9,34 %
Skandinaviska Enskilda Banken AB	7 004 286	9,17 %	9,17 %
Danske Bank A/S	3 415 671	4,47 %	4,47 %
CLEARSTREAM BANKING S.A.	3 203 753	4,19 %	4,19 %
VPF DNB NORGE SELEKTIV	3 138 069	4,11 %	4,11 %
State Street Bank and Trust Comp	2 735 503	3,58 %	3,58 %
The Bank of New York Mellon SA/NV	2 114 963	2,77 %	2,77 %
Morgan Stanley & Co. Int. Plc.	1 761 549	2,31 %	2,31 %
MUST INVEST AS	1 554 726	2,03 %	2,03 %
Saxo Bank A/S	1 540 663	2,02 %	2,02 %
VERDIPAPIRFONDET DNB SMB	1 330 995	1,74 %	1,74 %
BNP Paribas	1 245 300	1,63 %	1,63 %
Nordea Bank Abp	1 227 290	1,61 %	1,61 %
VERDIPAPIRFONDET PARETO INVESTMENT	1 200 000	1,57 %	1,57 %
ØSTREM INVEST AS	1 000 000	1,31 %	1,31 %
Euroclear Bank S.A./N.V.	914 321	1,20 %	1,20 %
Société Générale	853 000	1,12 %	1,12 %
Banque De Luxembourg S.A.	787 052	1,03 %	1,03 %
Zaptec ASA - Treasury shares*	71 599	0,09 %	0,09 %
Others (less than 1% ownership)	13 592 068	17,79 %	17,79 %
Total	**76 409 678**	**100,00 %**	**100,00 %**

*The treasury shares are purchased/sold for use in the company's share-based program.

	Number of shares	Portion of equity
Treasury shares 01.01.2022	20 825	0,027 %
Purchase of treasury shares	250 000	0,327 %
Allocated to management and employees	-199 226	-0,261 %
Treasury shares 31.12.2022	**71 599**	**0,094 %**

Stocks and options owned by members of the board and management:

Name	Position	Numbers of shares	Options
Peter Bardenfleth-Hansen	CEO	130 000	100 000
Kurt Østrem	CFO	1 000 000	300 000
Stig H. Christiansen	Chairman of the board	50 000	50 000
Lars Helge Helvig*, **	Deputy board member	10 400 000	0
Pål Selboe Valseth **	Board member	420 115	0
Christian Rangen	Board member	186 281	0

* Lars Helge Helvig is the owner of Valinor AS, where he indirect owns the 10 400 000 shares in Zaptec ASA.
** Member of the Board up until 07.11.2022

Note 18 - Provisions

The company have a provision for warranty claims of 2,1 MNOK at period end, i.e. a change of 2,1 MNOK compared to period end 2021. There has not been any used or reversed provision in the period. However, during 2022 4,7 MNOK (3,1 MNOK in 2021) has been expensed over profit and loss statement in other operating expenses related to warranty claims.

The warranty expense accrual is based on historical returns of products and projected towards the end of warranty period.

The remaining long term provisions is related to the long-term incentive program for employees.

Note 19 - Loans and borrowings

In NOK 1000	2022	2021
Short-term loans and borrowings	29 229	3 833
Guaranties pledges as security	2 500	2 500
Secured in the following assets, book value:		
Property, plant and equipment	9 015	5 061
Inventories	73 622	22 476
Trade receivables	209 846	61 451
Total	**292 483**	**88 988**

Zaptec has repaid a 3,833 MNOK on loans from financial institutions in line with the repayment terms. In addition, the Group drew down 29,229 MNOK on the existing credit facility.

The Group have increased it's overdraft facility from 50 MNOK to 70 MNOK in 2022. The interest rate is 3,9 % of overdraft. The terms are as follows:
- Short term overdraft facility.
- Annual maturity, will be renewed automatically when a credit rating is performed.

The financial covenants are as follows:
- Total overdraft shall not exceed 70% of total book value of projects in progress, inventory and trade receivable (not older than 90 days).
- Positive adjusted EBITDA on a consolidated level on a year to date basis.
- Dividend from Zaptec ASA to be approved.
- No sale or transfer of IP-rights from or between any of the group companies without prior approval.

The company have complied with all covenants as at, and for the twelve months ended 31 December 2022

Note 20 - Other current liabilities

In NOK 1000	2022	2021
Public duties payable	21 816	9 313
Other short term liabilities	25 890	12 714
Contingent considerations*	0	38 963
Total	**47 706**	**60 989**

The contingent consideration was linked to the performance of Novavolt for the second part of 2021. In the event of the target being achieved, the Company is obliged to pay an additional amount up to a maximum of 40 MNOK. As of 31 December 2021 the target triggeringthe maximum payment for the contingent consideration was achieved.

Note 21 - Notes supporting the cash flows

01.01 - 31.12.2022					
In NOK 1000	**Non-current**		**Current**		
	Loans and borrowings	**Lease liabilities**	**Loans and borrowings**	**Lease liabilities**	**Total**
At 1 January	**0**	**11 606**	**3 833**	**3 800**	**19 239**
Cash flows					
Down payment of loans	0	0	-3 833	0	-3 833
New loans	0	0	0	0	0
Net change in overdraft facility	0	0	29 229	0	29 229
Net lease payments	0	0	0	-4 853	-4 853
Non-cash flows					
Changes from business combinations	0	0	0	0	0
Termination of lease agreement	0	0	0	0	0
New lease agreement	0	5 082	0	0	5 082
Reclassification short/long term	0	-6 160	0	6 160	0
Foreign exchange effect	0	0	0	307	307
At 31 December	**0**	**10 528**	**29 229**	**5 414**	**45 171**

01.01 - 31.12.2021					
In NOK 1000	**Non-current**		**Current**		
	Loans and borrowings	**Lease liabilities**	**Loans and borrowings**	**Lease liabilities**	**Total**
At 1 January	**3 833**	**0**	**3 834**	**1 417**	**9 084**
Cash flows					
Down payment of loans	0	0	-3 834	0	-3 834
New loans	0	0	0	0	0
Net change in overdraft facility	0	0	0	0	0
Net lease payments	0	0	0	-2 893	-2 893
Non-cash flows					
Changes from business combinations	0	675	0	0	675
Termination of lease agreement	0	0	0	-1 071	-1 071
New lease agreement	0	17 233	0	0	17 233
Reclassification short/long term	-3 833	-6 302	3 833	6 302	0
Foreign exchange effect	0	0	0	45	45
At 31 December	**0**	**11 606**	**3 833**	**3 800**	**19 239**

Note 22 - Other current assets

Breakdown of other current assets:

In NOK 1000	**31.12.2022**	**31.12.2021**
Loan to finance inventory*	75 273	10 000
VAT refund	17 720	9 981
Other	20 307	8 624
Total	**113 300**	**28 605**

* The company have not identified any impairment indicators related to the loans to Westcontrol and Sanmina.

Note 23 - Consolidated companies

The following companies are included in the consolidated financial statements:

Legal company	Association	Head office	Currency	Ownership
Zaptec ASA	Parent	Stavanger	NOK	
Zaptec Charger AS	Subsidiary	Stavanger	NOK	100 %
Zaptec IP AS	Subsidiary	Stavanger	NOK	100 %
Zaptec Power AS	Subsidiary	Stavanger	NOK	100 %
Charge365 AS	Subsidiary	Stavanger	NOK	100 %
Zaptec Sverige AB	Subsidiary	Stockholm	SEK	100 %
Zaptec Denmark ApS	Subsidiary	Copenhagen	DKK	100 %
Zaptec Deutchland GmbH	Subsidiary	München	EUR	100 %
Zaptec U.K. Ltd	Subsidiary	Broseley	GBP	100 %
NovaVolt AG	Subsidiary	Zürich	CHF	100 %
Zaptec France SAS	Subsidiary	Paris	EUR	100 %
Zaptec Netherlands B.V.	Subsidiary	Amsterdam	EUR	100 %

Zaptec Charger AS is funding group entitites in the startup fase with loans.

Note 24 - Government grants

Government grants have been received in relation to R&D project through SkatteFunn of MNOK 0,6. The amount reduces the costs related to the projects.

Note 25 - Related party transactions

Part from transaction with key management and board members included in Note 7 there are no transactions with related parties.

Note 26 - Events after the reporting date

Private placement
The company completed 21 February 2023 a contemplated private placement, raising 300 MNOK in gross proceeds through a private placement of 11 111 112 new shares at a price per share of 27 NOK.

Financial Statements – Zaptec ASA

INCOME STATEMENT

In NOK 1000	Note	2022	Restated* 2021
Operating expenses			
Employee benefit expenses	2	2 970	8 134
Other operating expenses	2,3	11 738	2 645
Total operating expenses		**14 707**	**10 779**
Loss		**-14 707**	**-10 779**
Financial income and expenses			
Interest income from group companies	4	2 791	0
Group contribtuion	4	27 411	25 105
Other financial income		78	4 680
Decrease in fair value of financial current assets	5	5 092	1 930
Other financial expenses		801	261
Net financial income (+) and expenses (-)		**24 388**	**27 593**
Profit (+)/loss (-) before tax		**9 680**	**16 814**
Tax expense (+)/benefit (-)	6	2 766	5 354
Profit (+)/loss (-) after tax		**6 915**	**11 460**
Aloocated to			
Other equity	7	6 915	11 460
Total		**6 915**	**11 460**

* Amounts for 2021 are adjusted due to correction of error, see Note 11

BALANCE SHEET

In NOK 1000	Note	2022	Restated* 2021
ASSETS			
Deferred tax asset			
Deferred tax asset	6	898	3 664
Non-current financial assets			
Investments in subsidiaries	8	187 492	187 492
Convertible loans to group companies	4	184 891	0
Investments in shares	8	4 872	0
Total non-current assets		**378 153**	**191 156**
Debtors			
Other short-term receivables	4	2 014	472
Short term receivables from group companies	4	34 653	76 669
Other current assets			
Financial investments	5	0	183 500
Cash and cash equivalents			
Cash and cash equivalents	9	8 013	17 776
Total current assets		**44 680**	**278 416**
TOTAL ASSETS		**422 834**	**469 571**

BALANCE SHEET

In NOK 1000	Note	2022	Restated* 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	7, 10	1 146	475
Treasury shares	7, 10	0	0
Share premium	7	359 185	355 362
Not registered capital increase	7	0	3 825
Other paid in equity	7	22 061	11 327
Other equity	7	32 838	33 961
Total equity		**415 230**	**404 951**
Liabilities			
Other provision	2	218	1 382
Provisions		**218**	**1 382**
Current liabilities			
Trade payables		6 261	85
Short-term public dues		282	0
Group contribution	4	0	63 155
Other current liabilities	4	842	0
Total current liabilities		**7 385**	**63 240**
Total liabilities		**7 604**	**64 621**
TOTAL EQUITY AND LIABILITIES		**422 834**	**469 571**

* Amounts for 2021 are adjusted due to correction of error, see Note 11

Stavanger, 25.04.2023

Christian Rangen	Stig Harry Christiansen	Peter Bardenfleth-Hansen
Member of the board	Chaiman of the board	General manager
Jennifer Jacobs Dungs	An Joanna De Pauw	Ingelin Drøpping
Member of the board	Member of the board	Member of the board

STATEMENT OF CASH FLOWS

In NOK 1000	Note	2022	Restated* 2021
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (+)/loss (-) before tax		9 680	16 814
Write-dowen of intercompany loan		177	0
Group contribution not paid	4	-27 411	-25 105
Earnings from funds	5	5 014	-4 418
Change in accounts receivables		0	134
Change in accounts payables		6 177	-87
Share based payment expense	2	2 875	5 900
Movement shares/funds		0	1 930
Change in other accrual items		7 070	2 586
NET CASH FLOW FROM OPERATING ACTIVITIES		**3 582**	**-2 246**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Proceeds from sale of shares		0	-18 298
Change in covertible intercompany loans	4	185 068	-16 973
Payments to buy other investments	8	4 872	40 000
Proceeds from sale of other investments	5	177 691	-110
NET CASH FLOW FROM INVESTMENT ACTIVITIES		**-12 249**	**4 619**
CASH FLOW FROM FINANCING ACTIVITIES			
Change in intercompany payables		6 273	0
Repayment of finance debt			-3 833
Issue of share capital		0	0
Purchase of treasury shares	7	-9 057	-7 495
Sale of treasury shares	7	1 688	2 998
NET CASH FLOW FROM FINANCING ACTIVITIES		**-1 096**	**-8 331**
Net change in cash and cash equivalents		**-9 763**	**-5 958**
Cash and cash equivalents at start of period		17 776	23 734
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**8 013**	**17 776**

* Amounts for 2021 are adjusted due to correction of error, see Note 11

NOTES

Note 1 - Accounting principles

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

Subsidiaries and investment in associates
Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a lather period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. Which under NGAAP normally is in the financial year it relates to, even if it is approved by the general meeting after the financial year. If dividends/group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Investments in associates and shares are valued at cost in the company accounts. The investment is valued as cost of the shares in the associate, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a lather period.

Classification and valuation of balance sheet items
Non-current assets are assets intended for long-term ownership or use. All other assets are current assets. Receivables that fall due for payment within one year shall not be classified as non-current assets. Similar criteria applies to liabilities.

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

Non-current assets are written down to fair value upon any impairment that is expected not to be temporary. Long-term debt are recognised at nominal value at transaction date.

Group receivable and other receivables
Group receivable and other current receivables are recorded in the balance sheet at face value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Foreign currency translation
Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date.

Investments
Investments in bonds are measured at fair-value.

Share-based option agreement
Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted or failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to financial statement over the remaining vesting period.

Taxes
The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Cash flow statement
The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash and bank deposits.

Note 2 - Remuneration to the board and auditor

Payroll costs through profit and loss

In NOK 1000	2022	2021
Remuneration to the board	750	747
Payroll tax	-806	1 487
Remuneration to nomination committee	120	0
Share-based payment expense	2 875	5 900
Total	**2 940**	**8 134**

Remuneration to the board

2022					
In NOK 1000	Salaries	Bonus	Share based payment	Other benefits	Total
Stig H. Christiansen	300	0	958	0	1 258
Christian Rangen	150	0	0	0	150
Pål Selboe Valseth*	150	0	0	0	150
Peter Bardenfleth-Hansen	150	0	1 917	0	2 067
Total	**750**	**0**	**2 875**	**0**	**3 625**

2021					
In NOK 1000	Salaries	Bonus	Share based payment	Other benefits	Total
Stig H. Christiansen	167	0	1 967	0	2 134
Christian Rangen	150	0	0	0	150
Pål Selboe Valseth	200	0	0	0	200
Peter Bardenfleth-Hansen	230	0	3 933	0	4 163
Total	**747**	**0**	**5 900**	**0**	**6 647**

* Member of the Board up until 07.11.2022

In 2022 the company employed 0 man-years.

Peter Bardenfleth-Hansen is the general manager in Zaptec ASA. He is compensated through Zaptec Charger AS. His salary is specified in the table below:

In NOK 1000					Chief executive officer
Peter Bardenfleth-Hansen	2 485	2 500	2 359	126	7 470
Total	**2 485**	**2 500**	**2 359**	**126**	**7 470**

Pension liabilities
The company has no employees and is not liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

Remuneration to auditors for 2022

In NOK 1000	
Statutory audit	943
Other non-auditing services	1 260
Total	**2 203**

All amounts exclude VAT.

Share-based compensation

Share-based payment program for board of directors (Stock option program)

The company operates a equity-settled share-based remuneration schemes for board of directors.

	2022		2021	
	Weighted average exercise price	Number	Weighted average exercise price	Number
Outstanding at 1 January	11.25	300 000	0	0
Granted during the year	0	0	11.25	300 000
Forfeited during the year	0	0	0	0
Exercised during the year	11.25	150 000	0	0
Lapsed during the year	0	0	0	0
Outstanding at 31 December	11.25	150 000	11.25	300 000
Vested at 31 December	11.25	150 000	0	0

During the year 150 000 options was exercied, subscription amount was 1.7 MNOK. Weighted share price of these options is NOK 40.31.

The following information is relevant in the determination of the fair value of options granted during the year under :

	2022	2021
Option pricing model used	Black-Sholes	Black-Scholes
Share price at date of grant	*	40
Strike	*	11.25
Contractual life (in days)	*	593
Expected life (in days)	*	486
Expected volatility	*	78 %
Risk-free interest rate	*	0,4%-0,6%
Fair value at grant date (average)	*	29.25

* No new options granted

Peter Bardenfleth-Hansen holds stock options that were granted when he was a member of the Board. The agreement have vesting periods ranging for 6.4-18.4 months from 18.06.2021, which grant Peter Bardenfleth-Hansen purchase rights of 100 000 shares at a share pricing of NOK 11.25.

Stig H. Christiansen (Chairman) holds stock options as of 31.12.2022. The agreement have vesting periods ranging for 6.4 - 18.4 months from 18.06.2021, which grant the board member purchase rights of 50 000 shares at a share pricing of NOK 11.25.

Share-based incentive program for all employees

As of 01.01.2022 The Group implemented a share-based incentive program. Under the program all employees are entitled to a bonus equal to 20% of the employees' annual salary at 01.01.2022. The shares are allocated immediately and are vested over the vesting period, but can not be sold before 01.01.2025. Under the program the number of shares received is fixed at 01.01.2022. The number of shares equals 20% of the annual salary less withholding tax divided by the share price of Zaptec ASA based on average stock price last 15 days of 2021. Allocated shares for 2022 is 69 220.

As part of the scheme the employee will receive a cash bonus equal to hers/his income tax payable triggered by the program. If the employee leaves before 01.01.2025 the shares received should be returned to the company without consideration. The cash portion would not be returned. The cash settlement and the employees tax payable has both been expensed in 2022 in Zaptec ASA's subsidiaries.

The share portion is accounted for as an equity settled share-based payment program with immediate allocating to the employee that is the fair value of the equity instruments at grant date will be expensed over the vesting period (01.01.2025). Fair value is measured by using the actual average stock price of the last 15 days of 2021. The provision for the cash portion is based on the estimated income tax trigged by the actual transfer of the share at each reporting date.

The share portion is accounted in Zaptec ASA as an increase in investment i subsidiaries and equity. Recharge transaction is accounted for as a receivable to subsidiaries and decrease in subsidaries. Employer contribution payable is based on the intrinsic value of the shares at the reporting date. The employees in the subsidiaries receives shares from Zaptec ASA. The share portion is recorded in the subsidiaries as increase in payroll costs, and increase in liabilities to parent company.

Share-based incentive program for management
As of 01.01.2022 the group implemented a share-based incentive program. Under the program key management are granted a right to receive a defined number of shares after a vesting period. The vesting period running until 01.01.2025. A total of 440 000 rights to receive shares has been granted under this program as of 31.12.2022.

The program is accounted for as a equity settled share-based payment program with a 3 year vesting period, that is the fair value of the equity instruments at grant date will be expensed over the vesting period. Fair value is measured by using the actual average stock price of the last 15 days of 2021.

Share-based payment expense is charged to the income statements the following amount, where the option program is charged in Zaptec ASA and share-based incentive program is charged in subsidiaries of Zaptec ASA:

In NOK 1000	**2022**	**2021**
Option program	2 875	5 900
Share-based incentive program for all employees	1 402	0
Share-based incentive program for management	6 457	0
Total share based payment expense	**10 734**	**5 900**

Note 3 - Specification of other operating costs

In NOK 1000	**2022**	**2021**
Rental cost	216	141
Other operating costs	4 186	377
Consultants	7 335	2 127
Total share based payment expense	**11 738**	**2 645**

Note 4 - Inter-company items between companies in the same group

Receivables		
In NOK 1000	**2022**	**2021**
Convertible loans to companies in the same group	184 891	0
Other short-term receivables within the group	7 242	51 562
Group contribution	27 411	25 108
Total	**219 544**	**76 670**

Liabilities		
In NOK 1000	**2022**	**2021**
Other short-term liabilities within the group	0	63 155
Total	**0**	**63 155**

The loan to Zaptec Power AS has been written-down with 176 943 NOK.
All the subsidiaries are listed in Note 8.

The prior years financial statement recognized group contribution as part of the financial statement caption; "Other financial income" in the P&L. In the current years financial statement, the amount is reclassified to the financial statement caption; Group contribution" in the P&L.

Note 5 - Investments in bonds

As of 31 December the group holds the following investment in funds:

	2022	2021
DNB High Yield D	0	22 238
DNB Obligasjon E	0	80 182
DNB Likviditet Institusjon	0	81 080
Total	**0**	**183 500**

The funds has been sold during 2022. The decrease in market value during 2022 was 5,8 MNOK.

Note 6 - Income tax

In NOK 1000		2022	2021
Income tax expense			
Current income tax		0	0
Changes in deferred tax		2 766	5 354
Total income tax expense (+)/benefit (-)		**2 765**	**5 354**
Temporary differences and tax positions			
Tangible assets		88	105
Accounts receivables		-177	-177
Provisions		-218	-1 397
Total temporary differences and tax positions		***-306***	***-1 468***
Tax losses carried forward		-3 777	-15 186
Basis for deferred tax		***-4 083***	***-16 654***
Net deferred tax asset	**22 %**	**-898**	**-3 664**

In NOK 1000	2022	2021
Taxable income		
Result before tax	9 680	16 814
Permament differences	2 875	7 532
Change in temporary differences	-1 146	1 404
Application of loss to be brought forward	-11 409	-25 742
Taxable income	**0**	**0**
Tax payable in the statement of financial position		
Current income tax payable	-6 030	-5 523
Prepaid tax	6 030	5 523
Net tax payable	**0**	**0**

In NOK 1000		2022	2021
Reconciliation of effective tax rate			
Result before tax		9 680	16 814
Income tax based on applicable tax rate (22%)	22 %	2 130	3 699
Tax effect on permanent differences		633	1 657
Too much/to little allocated previous year		3	0
Total income tax expense (+)/benefit (-)		**2 766**	**5 354**
Effective tax rate		28,6 %	31,8 %

In NOK 1000		2022	2021
Specification of permanent differences			
Share-based payment expense		2 875	5 900
Loss on realization of fund	22 %	0	261
Other permanent differences		0	-558
Change in fair value of financial instruments		0	1 930
Total income tax expense (+)/benefit (-)		**2 875**	**7 532**

Note 7 - Equity

In NOK 1000	Share Capital	Share premium	Not registered capital	Other paid in capital	Other equity	Total equity
Equity 1 January 2021	**468**	**323 993**	**0**	**6 287**	**19 504**	**350 253**
Correction of error				-3 359		-3 359
Adjusted equity 1 January 2021	**468**	**323 993**	**0**	**2 928**	**19 504**	**346 893**
Profit (+)/loss (-) after tax					**11 460**	**11 460**
Purchase of treasury shares						**0**
Sale of treasury shares					**2 998**	**2 998**
Capital increase	**6**	**31 369**	**3 825**			**35 200**
Share based payments				**8 399**		**8 399**
Adjusted equity 31 December 2021	**474**	**355 362**	**3 825**	**11 327**	**33 962**	**404 951**
Profit (+)/loss (-) after tax					6 915	6 915
Purchase of treasury shares	-2				-9 056	-9 059
Sale of treasury shares	2				1 687	1 689
Capital increase	672	3 823	-3 825		-669	0
Share based payments				10 734		10 734
31 December 2022	**1 146**	**359 185**	**0**	**22 061**	**32 839**	**415 230**

Note 8 - Subsidiaries and investments in shares

Subsidiary	Head office	Currency	Ownership	Carrying amount	Equity	Result
Zaptec Charger AS	Stavanger	NOK	100 %	186 471	158 554	17 887
Zaptec IP AS	Stavanger	NOK	100 %	2 849	3 360	-101
Zaptec Power AS	Stavanger	NOK	100 %	0	5 116	75
Charge365 AS	Stavanger	NOK	100 %	1 530	-204	-1 270
Total				**190 851**	**166 826**	**16 592**

The shares in Zaptec Power AS has been written down to 1 NOK in accordance with "NRS Nedskrivning av anleggsmidler". There is no activity in this company per 31.12.2022.

Subsidiation	Head office	Ownership	Carrying amount (NOK)	Equity (GBP)	Result (GBP)
Switch EV Ltd.	London	100 %	4 872	341	-2 002

Note 9 - Cash and cash equivalents

Funds standing on the tax deduction account (restricted funds) are NOK 0.

Note 10 - Shareholders and shareholders information

Share capital at 31 December:

	Number of shares	Face value	Book value
Ordinary shares	76 409 678	0,01500	1 146 145
Total	**76 409 678**		**1 146 145**

Main shareholders at 31 December:

	Number of shares	Ownership interest	Voting rights
VALINOR AS	10 400 000	13,61 %	13,61 %
Nordnet Bank AB	10 178 565	13,32 %	13,32 %
Avanza Bank AB	7 140 305	9,34 %	9,34 %
Skandinaviska Enskilda Banken AB	7 004 286	9,17 %	9,17 %
Danske Bank A/S	3 415 671	4,47 %	4,47 %
CLEARSTREAM BANKING S.A.	3 203 753	4,19 %	4,19 %
VPF DNB NORGE SELEKTIV	3 138 069	4,11 %	4,11 %
State Street Bank and Trust Comp	2 735 503	3,58 %	3,58 %
The Bank of New York Mellon SA/NV	2 114 963	2,77 %	2,77 %
Morgan Stanley & Co. Int. Plc.	1 761 549	2,31 %	2,31 %
MUST INVEST AS	1 554 726	2,03 %	2,03 %
Saxo Bank A/S	1 540 663	2,02 %	2,02 %
VERDIPAPIRFONDET DNB SMB	1 330 995	1,74 %	1,74 %
BNP Paribas	1 245 300	1,63 %	1,63 %
Nordea Bank Abp	1 227 290	1,61 %	1,61 %
VERDIPAPIRFONDET PARETO INVESTMENT	1 200 000	1,57 %	1,57 %
ØSTREM INVEST AS	1 000 000	1,31 %	1,31 %
Euroclear Bank S.A./N.V.	914 321	1,20 %	1,20 %
Société Générale	853 000	1,12 %	1,12 %
Banque De Luxembourg S.A.	787 052	1,03 %	1,03 %
Zaptec ASA - Treasury shares*	71 599	0,09 %	0,09 %
Others (less than 1% ownership)	13 592 068	17,79 %	17,79 %
Total	**76 409 678**	**100,00 %**	**100,00 %**

Stocks and options owned by members of the board and management in Zaptec Charges AS:

Name	Position	Numbers of shares	Options
Peter Bardenfleth-Hansen	CEO	130 000	100 000
Kurt Østrem	CFO	1 000 000	300 000
Stig H. Christiansen	Chairman of the board	50 000	50 000
Lars Helge Helvig*, **	Deputy board member	10 400 000	0
Pål Selboe Valseth**	Board member	420 115	0
Christian Rangen	Board member	186 281	0

* Lars Helge Helvig is the owner of Valinor AS, where he indirect owns the 10 400 000 shares in Zaptec ASA.
** Member of the board up until 07.11.2022.

Note 11 - Correction of error

In prior years financial statement share based payment arrangements were expensed over vesting period based on the intrinsic value of the granted options at the reporting date. This approach should only be applied in very limited circumstances. In accordance with NGAAP equity settled option arrangements should be measured as fair value at the grant date. The fair value of the options granted should then be expensed over the vesting period. Details on the valuation of options granted are included in note 2. The correction resulted in a significant reduction of the expense as the intrinsic value as of year-end was significantly higher than the fair value of options at grant date.

In the financial statement, the amount of 9,9 MNOK are reversed from payroll cost and replaced with an amount of 5,9 MNOK. Provision for social security of 1,4 MNOK originally expensed are replaced an amount of 1,4 MNOK.

In other paid in equity, the amount of 41,3 MNOK, are reversed and replaced with an amount of 8,4 MNOK. Total effect on equity is 28,8 MNOK.
Shares in subsidiaries are reversed with 31,3 MNOK and replaced with 2,5 MNOK.

The table below shows which financial statements capitons that have been effected by the correction:

	Other paid in Equity	Other Equity	Shares in subsidiaries	Provision for payroll tax	Payroll cost	Payroll tax
31.12.2021 before correction	44 181	29 940	216 339	1 397	9 907	1 397
Reversal of error	-41 253	11 303	-31 347	-1 397	-9 907	-1 397
Correction of error	8 399	-7 282	2 499	1 382	5 900	1 382
31.12.2021 restated	11 327	33 961	187 492	1 382	5 900	1 382

Note 12 - Events after the reporting date

Private placement

The company completed 21 February 2023 a contemplated private placement, raising 300 MNOK in gross proceeds through a private placement of 11 111 112 new shares at a price per share of 27 NOK.

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To the General Meeting of Zaptec ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Zaptec ASA, which comprise:

- the financial statements of the parent company Zaptec ASA (the Company), which comprise the balance sheet as at 31 December 2022, the income statement 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 Zaptec ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

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

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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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 1 year from the election by the general meeting of the shareholders on 21 October 2022 for the accounting year 2022.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for share-based compensation

As disclosed in note 7 Employee benefit expenses.

The Key Audit Matter	*How the matter was addressed in our audit*
The Group has share-based compensation for management, board of directors and employees. The total amounts (both recognized through the consolidated statement of profit or loss and consolidated statement of changes in equity) related to these agreements of 28.2 MNOK, exclusive social security charges, is considered a significant part of the Group's consolidated financial statement. Share-based compensations are considered to be a key audit matter due to the following: • The complex accounting involved in the recognition and measurement of these payments • Treatment of cancellation and settlement of share-based compensation in the period • Significant new share-based compensations were implemented in the period Management used the Black-Scholes option valuation model to determine the fair value of the options granted. The option agreements were granted in 2020 and 2021 respectively, and part of the options was cancelled and settled in 2022. Significant new share-based compensation agreements were implemented in 2022, involving both cash- and equity settlement. Accounting for share benefit and option agreements are subject to complex accounting, and significant judgment is required by management to determine the fair value of the equity instruments granted.	Our procedures, amongst others, included: • Recalculated the amount recognized during the year in accordance with the conditions in the agreements • Evaluating management's valuation models and challenge the assumptions and inputs used • Inspecting agreements to identify the key terms and conditions of share-based compensation issued and relevant vesting conditions in accordance with the applicable financial reporting framework applicable to the agreement. • Performing tests of selected details of the share-based compensation agreements to assess if the input parameters in estimating fair value are appropriate. • At the grant date, we involved our valuation specialists in assessing the reasonableness of the assumptions used the by the Group, evaluating the methodology and to assess the reasonableness of estimated fair value • Assessed whether the information disclosed in the financial statements meets the requirements of the financial reporting framework applicable to the Group.

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.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Policies and Corporate Governance Policy.

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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of Zaptec ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the zip-file name 549300Y5EDWTJNTS8P96-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Stavanger, 25 April 2023
KPMG AS

Mads Hermansen
State Authorised Public Accountant
(This document is signed electronically)

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

Mads Aleksander Hermansen
Partner
På vegne av: KPMG AS
Serienummer: 9578-5997-4-280077
IP: 80.232.xxx.xxx
2023-04-25 17:47:30 UTC

Mads Aleksander Hermansen
Statsautorisert revisor
På vegne av: KPMG AS
Serienummer: 9578-5997-4-280077
IP: 80.232.xxx.xxx
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Alternative Performance Measures

Zaptec may disclose alternative performance measures as part of its financial reporting as a supplement to the financial statements prepared in accordance with IFRS. Zaptec believes that the alternative performance measures provide useful supplemental information to management, investors, security analysts and other stakeholders and are meant to provide an enhanced insight into the financial development of Zaptec's business operations and to improve comparability between periods.

Available Liquidity

Cash, cash equivalents, other funds (financial investments) and available overdraft facility. The Group has presented this APM because it considers it to be an important supplemental measure for investors to understand the overall picture of the Group's financial position.

Gross Margin

Gross profit as a percentage of revenues. Gross profit is defined as revenues from contracts with customers less cost of goods sold. The Group has presented this APM because it considers it to be an important supplemental measure for investors to understand the profit generation in the Group's operating activities.

EBITDA

The profit/(loss) for the period before tax expense, finance expense, finance income and depreciation and amortisation expense. The Group has presented this APM because it considers it to be an important supplemental measure for investors to evaluate the operating performance of the Group.

EBITDA Margin

EBITDA as a percentage of revenues. The Group has presented this APM because it considers it to be an important supplemental measure for investors to understand to evaluate the operating performance of the Group.

OPEX

Employee benefit expenses plus other operating expenses

Disclaimer – forward looking statements

Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this presentation contains statements relating to our future business and/or results. These statements include certain projections and business trends that are "forward-looking." All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words "estimate," pro forma numbers, "plan," project," "forecast," "intend," "expect," "predict," "anticipate," "believe," "think," "view," "seek," "target," "goal", "outlook" or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements do not guarantee future performance and involve risks and uncertainties. Actual results may differ materially from projected results/pro forma results as a result of certain risks and uncertainties. Further information about these risks and uncertainties are set forth in our most recent annual report for the Year ending December 31, 2022. These forward-looking statements are made only as of the date of this press release. We do not undertake any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements in this report are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from Fourth parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies, which are impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

Zaptec

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