

VOW

ANNUAL AND
SUSTAINABILITY
REPORT 2022



In Vow and our subsidiaries Scanship, C.H. Evensen and Etia we are passionate about preventing pollution. Our world leading solutions convert biomass, sewage sludge, organic waste and end-of-life tyres into valuable resources, clean energy and circular carbon products for a wide range of industries.



VOW AT A GLANCE

In Vow and our subsidiaries Scanship, Etia and C.H. Evensen we are passionate about preventing pollution and reducing use of fossil carbon and energy. With our world leading technologies and solutions our customers in cruise and landbased industries convert waste, biomass, plastics and polymers into recycled and valuable advanced carbon materials, low carbon fuels, chemicals, and climate neutral gas.

Passionate about preventing pollution and decarbonising industry

Vow is not only a company name. It also reflects who we are, what we believe in, and what we do. We develop and deliver world leading technology and solutions that purify wastewater and convert waste into valuable resources and carbon neutral energy. With our technology and solutions, a wide range of landbased industries decarbonise and create new business models.

The name is also a reminder of our promise, our vow to customers, to investors, and to the world. Preventing pollution and decarbonising industrial processes are key to a better climate and cleaner world.

CONTENTS

Contents.....	2
About Vow	4
Highlights.....	5
Letter from the CEO.....	6
Business segments.....	10
Board of directors' report	12
Sustainability report.....	28
Sustainability in Vow	29
Stakeholders and materiality	30
Environment and climate action	33
People and society	43
Sustainability governance.....	49
Corporate governance	56
Financial statements	66
Financial statements – Vow group	68
Notes to the financial statements – Vow group	72
Financial statements – Vow ASA.....	103
Notes to the financial statements – Vow ASA	106
Auditor's report	116
Definitions of alternative performance measures not defined by IFRS	120

ABOUT VOW

WORLD LEADING TECHNOLOGY AND SOLUTIONS WHICH BRING AN END TO WASTE AND DECARBONISE INDUSTRY



Vow's advanced technologies and solutions enable industry decarbonisation and material recycling. Biomass, sewage sludge, plastic waste and end-of-life tyres can be converted into clean energy, low carbon fuels and renewable carbon that replace natural gas, petroleum products and fossil carbon. The solutions are scalable, standardised, patented, and thoroughly documented, and the company's capability to deliver is well proven.

Vow is a market leader in wastewater purification and valorisation of waste for the cruise industry. The company also has strong niche positions in the food safety and robotics segments, and in heat-intensive industries with a strong decarbonising agenda.

Located in Oslo, the parent company Vow ASA is listed on the Oslo Stock Exchange (ticker VOW).

HIGHLIGHTS 2022

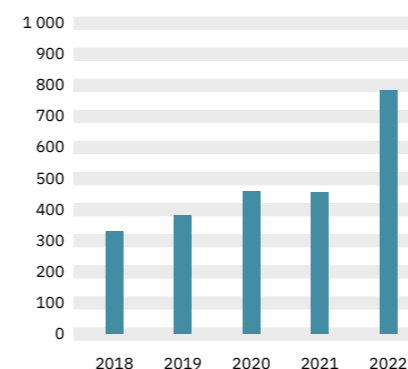
- Record high revenues and more than a doubling of profits compared with 2021. All business segments contributed to the progress.
- Recovery in the cruise industry generated all time high revenues and profits for the group's maritime solutions.
- High activity in project development and feasibility studies in the Landbased segment driven by strong interest for circular solutions such as biocarbon and recovered carbon black:
 - Concept studies made together with Vow Green Metals for 18 large-scale biocarbon factories with a total production capacity of 600 000 tonnes of biocarbon.
 - ETEL and Vow have come together to offer a truly sustainable method for handling end-of-life tyres and decarbonise the tyre industry, based on Vow's advanced technology.
- Order backlog at the end of 2022 remained strong at NOK 2 billion including options. This provides good visibility for revenues and cash generation short term and well into 2025/26.
- During the year, Vow expanded its foothold in the Landbased segment by acquiring C.H. Evensen. This acquisition marks an important strategic step for Vow to meet increased demand for carbon products and CO₂ neutral energy.
- Several high-potential industrial partnerships established in renewable energy production, carbon sequestration, waste-to-energy, environmental sludge handling and recycling of plastics and polymers.

SUBSEQUENT EVENTS

- C.H. Evensen awarded contracts to a total value of NOK 39 million, and ETIA received orders for three Safesteril food safety systems to a total value of EUR 2 million.
- Vow and Vow Green Metals have made an agreement regarding the transfer of a 2 500 tonnes biocarbon production facility from Vow to Vow Green Metals.
- Tina Tønnessen appointed new Chief Financial Officer effective as of 1 May 2023.

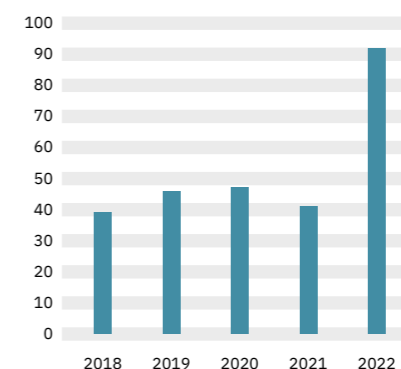
REVENUES

NOK million



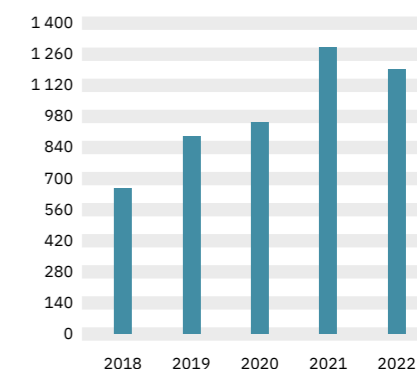
EBITDA (before non-recurring items)

NOK million



BACKLOG (at the end of the year)

NOK million



LETTER FROM THE CEO



Dear shareholder,

Amid an ongoing war in Ukraine and turmoil in the world economy and trade, a looming energy crisis, and increasing costs of goods and capital, 2022 was a year of records for Vow. We saw a 72 per cent increase in revenues from the year before to NOK 783 million and profits that more than doubled to NOK 92 million.

We had growth in all our three business segments. The Landbased business grew nearly three-fold, coming close to challenging Cruise projects as our biggest revenue contributor, and the cruise business had a record year in 2022.

Activity in the Aftersales business, which is closely correlated with the number of cruise ships in operation, continued its post-covid recovery. In Q4 2022, revenues in this segment had surpassed that of Q4 2019, which was the last quarter before the pandemic struck.

Despite record high revenues and tumultuous markets, order backlog remained comfortably high at NOK 1.2 billion, or more than NOK 2 billion when contracts awarded to date (March 2023) and options are included. This provides good visibility for revenues and cash generation short term and well into 2025/26.

C.H. Evensen was acquired in the start of 2022 and included in the group accounts from 1 April 2022. This specialist designer and producer of industrial furnaces and equipment for a variety of heat treatment processes and industries, has proven to be an extremely valuable addition to our business, not least because of its long-term and close relationships with leading industrial players, and its capabilities within pyrolysis. The C.H. Evensen pyrolysis reactor complements our other pyrolysis solutions, and paves the way for delivery of very large, industrial scale biocarbon and biochar production solutions.

PREPARING FOR FURTHER GROWTH

The many uncertainties that surrounded us all in 2022 are still very much present also in 2023, and



with collapsing banks in March this year, new topics of concerns have been added to the list. At the same time, we see strong underlying trends that we are confident will support further growth for Vow in the years to come.

The cruise industry shows no sign of slowing down, and with the strong order backlog we have in Projects and recurring business in Aftersales, this business will continue to play a key role in Vow, generating revenues that we will convert to profits and cash.

On land, the race continues for carbon-neutral technology and solutions in industry and energy production, carbon sequestration and circular solutions for various raw materials, which some still erroneously call waste. These trends create strong and increasing demand for our solutions, which are further strengthened by policy and fiscal stimuli, such as the Inflation Reduction Act in the US and similar policies that are currently being considered in Europe. The combination of current uncertainty and likely strong underlying demand for our technology calls

for a two-fold strategy. We must manage short term challenges – and at the same time, position ourselves for growth in the longer term.

The combination of current uncertainty and likely strong underlying demand for our technology calls for a two-fold strategy. We must manage short term challenges – and at the same time, position ourselves for growth in the longer term.

DISCIPLINED APPROACH

We have spent time considering what it would mean for Vow if the company were to succeed in becoming two, three, or perhaps five times as big as it is today. We soon came to realise that we would have to think fundamentally different about how we lead, manage, and control the business, and we have started to act accordingly.

In the past half year, we have established a new governance structure, clarified roles, made certain changes to the management team, and we have been very specific in the definition of responsibilities and accountabilities. We want to run a tight ship.

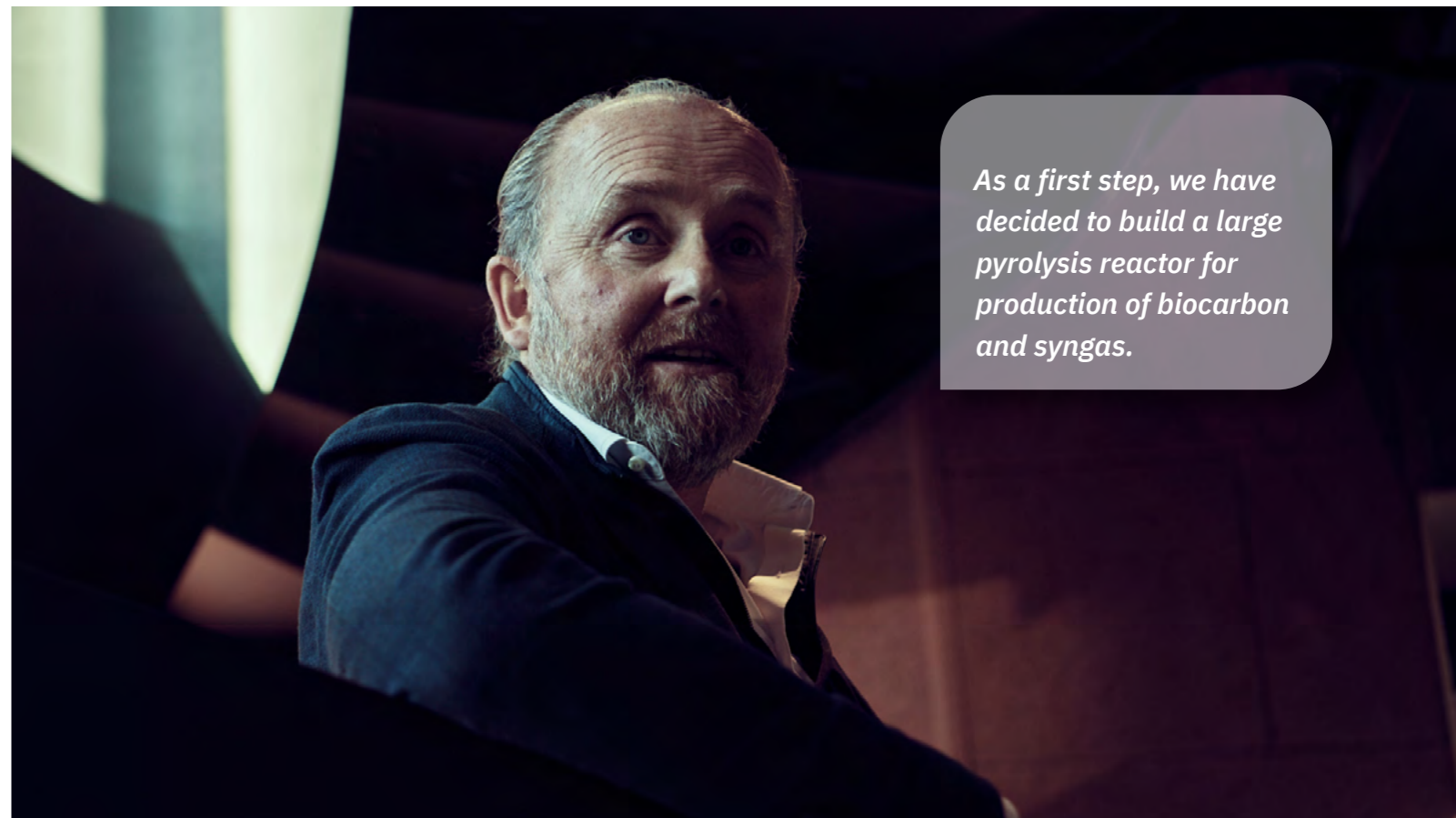
Delivering on our promise to existing customers and industry partners is above all our most important task. Our many profitable businesses and cash generating projects provides the financial strength and muscle we need to support technology development and industry partnerships that will result in growth for the longer term.

BIOCARBON SCALE-UP

We are engaged in several high-potential industrial partnerships in renewable energy production, carbon sequestration, waste-to-energy, environmental sludge handling and recycling of plastics and polymers. At this time, two of these stand out as particularly promising; biocarbon and recovery of carbon black.

Together with Vow Green Metals, we have undertaken concept studies for 18 large-scale biocarbon factories with a total production capacity of 600 000 tonnes of biocarbon, and we have already delivered technology and equipment for Vow Green Metals' first plant in Norway. This 10 000-tonne factory will be up and running in 2024. A doubling of its capacity is already on the drawing boards.

In the meantime, we are in the process of completing an industry-scale early production line with a 2 500-tonne capacity also in Norway. This line will be made available to Vow Green Metals for qualification and production of biocarbon in the third quarter 2023.



As a first step, we have decided to build a large pyrolysis reactor for production of biocarbon and syngas.

END-OF-LIFE TYRE SCALE-UP

Our partnership with European Tyre Enterprise Ltd (ETEL), a subsidiary of Itochu, one of Japan's largest general trading companies, has potentially huge implications for the global tyre industry. End-of-life tyre represents a huge environmental challenge, and more importantly, an opportunity to build an industry around recovery of up to 1 million tonnes of carbon black by 2030, according to leading tyre manufacturers.

ETEL and Vow have come together to offer a truly sustainable method for handling end-of-life tyres and at the same time decarbonise the tyre industry, based on Vow's advanced technology. ETEL has identified a potential demand for more than 300 tyre recycling plants in Europe, North America, and Japan. At Murfitts, the largest tyre collector in the UK, the parties have already developed a full industrial process, in which end-of-life tyres are valorised into a premium recovered carbon black.

SUSTAINABILITY AT THE CORE

In all our customer projects, sustainability is a core motivation. Sustainability is also increasingly at the core

of how we work. Our commitment to sustainability and corporate responsibility is demonstrated through our membership of UN Global Compact, which we joined in 2020.

Every year since then, we have prepared a detailed report of our achievements and ambitions in environmental, social and governance factors. Our sustainability report for 2022 is included in this annual report from page 28 onwards. We hope you find it useful and interesting.

In Vow, we believe in solving the big challenges together. We will do our part and thank all of you, our customers, employees, suppliers and other industry partners, science and research institutions, governmental agencies and not least, our shareholders, for your support.

Henrik Badin
CEO of Vow ASA

VOW

SCANSHIP



LANDBASED

Vow's partnership with Etia provides a solid fundament for delivering solutions to rapidly growing segments like biocarbon and end-of-life tyres.

Through Etia operations and specific landbased operations in Norway, Vow's Landbased segment designs and provides systems to valorise biomass residues and waste into renewable products, chemicals, and fossil free energy through pyrolysis solutions.

The segment offers proven solutions for turning waste into valuable green products and climate friendly energy, solutions for food sterilisation and debacterisation, and systems for mineral processing.

In 2022, Vow acquired C.H. Evensen. A specialist in energy efficient solutions for heat treatment processes, it develops, designs and fabricates industrial furnaces and equipment. C.H. Evensen is also a specialist in hot-dip galvanising.

Vow seeks to develop close and long-lasting relationships with customers and could also engage in the development of new business ventures, alone or together with partners. With the launch of Vow Green Metals in 2021, Vow created a new and standalone entity, which already has become an important customer and partner for potential further projects. Vow Green Metals is in the process of building plants with Vow technology, which it will own and operate. Vow Green Metals will accelerate the green shift by producing biocarbon for the metallurgical industry, CO₂-neutral gas for heating, and biofuel for the petrochemical industry.



PROJECTS CRUISE

The Projects Cruise segment is mainly based on Scanship operations and includes the sale of wastewater purification, garbage handling, and food waste treatment solutions for the cruise industry. Systems are sold either to shipyards for newbuild constructions or as retrofits to operating ships. When delivering to shipyards, the yard installs the systems under supervision from Vow, through the Scanship operations.

When systems are delivered to shipowners for operating ships, they are delivered as turn-key solutions, where Scanship is responsible for installation. All systems delivered are commissioned by Scanship personnel undergoing full complete compliance testing. Production of Scanship systems is outsourced to subcontractors.

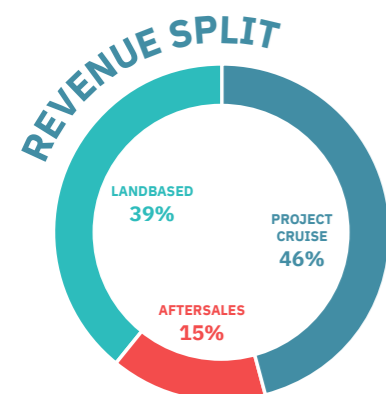


AFTERSALES

The Aftersales segment is mainly related to the Projects Cruise segment and the Scanship operations, and comprises all activities related to the sale of spares and consumables, as well as service on systems delivered. Scanship has an increasing base of systems installed on the fleet of cruise vessels worldwide, which in turn strengthens and builds the recurring revenue stream from the Aftersales segment. Scanship offers service and operational assistance on board cruise ships through its service department with experienced engineers and senior personnel, covering the complete lifecycle of its systems and assisting cruise owners in achieving cost efficient operations. The Aftersales and service department is handled both through the operations in Norway and through Scanship Americas Inc. in Fort Lauderdale, USA.

BUSINESS SEGMENTS

The operations of Vow are organised across three business segments: Projects Cruise, Aftersales and Landbased.





Large and increasing demand from industry partners prompted Vow to start building a large scale pyrolysis reactor for production of biocarbon and syngas. The unit which is being built by Vow subsidiary C. H. Evensen, can produce up to 10 000 tonnes of biocarbon per year, a key product for the green metal industries.

BOARD OF DIRECTORS' REPORT 2022

In 2022, Vow continued to deliver on its promise to prevent pollution and reinforced itself as a pioneering provider of solutions to convert biomass and waste into valuable resources and generate clean energy for a wide range of industries. The order backlog at the end of 2022 remained strong at NOK 2.0 billion including options. This provides good visibility for revenues and cash generation in 2023 and well beyond.

In 2022, Vow reported record high revenues of NOK 783 million, corresponding to a 72 per cent increase from 2021. While all business segments contributed to the progress, this was especially strong in the Aftersales and Landbased segments. The Aftersales segment benefited from higher demand as cruise ships around the world resumed normal operations after travel restrictions were eased in 2022. The Landbased segment reported good progress driven by the order with Vow Green Metals for delivery of equipment and engineering to the Follum plant. In addition, the newly acquired C.H. Evensen represented NOK 45.5 million of the revenue increase in 2022, being included in the Landbased segment of the Vow group from 1 April 2022.

All three business segments recorded improvements in EBITDA for 2022, compared with 2021. For the full year, EBITDA before non-recurring items came in at NOK 92.2 million, representing a margin of 11.8 per cent, compared with NOK 41.1 million and a margin of 9.1 per cent for 2021.

The second half of the year marked high activity on project development and feasibility studies together with potential customers and partners, and technology scale-up which are expected to result in significant business opportunities in the coming years. The company continues to develop and invest in technology to meet strong demand for Vow solutions across several industry verticals.

OVERVIEW OF THE BUSINESS

The board of directors' report for the Vow Group ("Vow" or "the group") encompasses Vow ASA ("the parent company") and all subsidiaries and associated companies.

Business and location

Vow develops and delivers world-leading technology and solutions to bring an end to waste and help industries decarbonise – solutions that are required to combat climate change and create a cleaner world.

Vow's solutions purify wastewater and convert biomass and waste into valuable resources, generating CO₂-neutral energy and biocarbon that decarbonise industrial processes. Customers are represented in cruise and a wide range of landbased industries and utilities. Vow's solutions are scalable and standardised, and the group has proven its delivery capabilities. Many of the group's solutions are also patented.

The Vow Group is headquartered in Lysaker, just outside Oslo, Norway. The parent company, Vow ASA, is a Norwegian public limited liability company listed on the Oslo Stock Exchange (ticker: VOW), with employees in Norway, France, Poland, the US and Italy. The group has offices in Tønsberg (Norway), Davie in Florida (USA), Gdynia (Poland), Compiègne (France) and Bray-sur-Somme (France), and warehouse facilities in Tønsberg and Davie.

The group's main activities are R&D, sales & marketing, engineering, procurement, and project management.



Our Vow team is growing!

We welcomed more than 60 new colleagues in 2022 from all over the world and set ourselves an important goal of 25 per cent women within 2025. We established a new Service and Commissioning team in Poland and got the whole C.H Evensen crew onboard.

The group is organised across three operating segments: Projects Cruise, Aftersales and Landbased.

Projects Cruise and Aftersales are mainly based on Scanship operations, while segment Landbased is based on ETIA operations and specific landbased operations in Norway.

Projects Cruise includes the sale of wastewater purification, garbage handling and food waste treatment solutions for the cruise industry. Systems are sold either to shipyards for newbuild constructions or as retrofits for operating ships. When delivering to shipyards, the yard installs the systems with supervision from Vow through the Scanship operations. When systems are delivered to shipowners for ships in operation, they are delivered as turn-key solutions, where Scanship is responsible for installation. All delivered systems are commissioned by Scanship personnel undergoing complete compliance testing. Production of Scanship systems is outsourced to subcontractors.

Segment Aftersales is related to the sale of spare parts and consumables as well as service on delivered systems. As the number of delivered systems increases, the market for Aftersales grows.

Segment Landbased is based on operations both in Norway and France, and designs and provides systems to valorise biomass residues and waste into renewable products, chemicals and fossil free energy through pyrolysis solutions. In addition, the segment offers proven solutions for turning waste into valuable green products and climate friendly energy, food sterilisation and debacterisation, and plants for mineral processing, which are used throughout the industry.

In 2020, Vow launched Vow Industries as an incubator for business development as part of its Landbased segment, which marked a significant strategic shift for Vow. Vow Green Metals was launched in 2021 as a new company that offer biocarbon as a material and energy enabling their customers to decarbonise. Vow Green Metals was

demerged from Vow and the shares distributed to Vow shareholders, and listed on Euronext Growth in July 2021. At 31.12.2022 Vow ASA held an ownership share of 30.4 per cent in Vow Green Metals.

Vision, values and target markets

Vow has a profound passion for climate change mitigation and the prevention of pollution. The group has strong values as guidelines for its business conduct:

- Trust is a key building block of the Vow culture
- Responsible business conduct is fundamental for all we do
- Inclusive towards each other, partners and Stakeholders
- Passionate about preventing pollution, giving waste value, and mitigating climate change

Subsidiaries in the Vow Group jointly target all markets where pyrolysis can be deployed to convert organic waste, biomass, plastic, and polymers into energy, fuels,

biogenic materials, or molecules to decarbonise energy, capture carbon, valorise waste and create end-of-waste solutions.

IMPORTANT EVENTS

New partnership to evaluate biocarbon production

In February 2022, Vow ASA announced that it is joining forces with a global non-ferrous metal producer and Vow Green Metals AS in a move which could eventually lead to the construction of large biocarbon production facilities, initially five times larger than the one currently built at Follum, where technology will be supplied by Vow ASA, and owned and operated by Vow Green Metals. As a first step in this move the three parties have agreed to undertake a joint feasibility study to evaluate the potential of developing an advanced and commercially competitive biocarbon product.

Demo plant for CO₂ neutral pyrolysis gas

Also in February, Europe's second largest gas distributor, GRT gaz of France, and Vow subsidiary ETIA marked production start of a demo plant built to confirm that CO₂ neutral pyrolysis gas can replace fossil gas in the European gas grid.

C.H. Evensen acquired

In March, Vow expanded its foothold in the Landbased segment by acquiring C.H. Evensen, a supplier of technology and solutions for high temperature industrial processes for industries to lower emissions and improve operational efficiencies. C.H. Evensen will in 2023 complete the build of a large-scale pyrolysis reactor, which will produce clean energy from biomass. This marks an important strategic step for Vow to meet increased demand for carbon products and CO₂ neutral energy. The financial results of C.H. Evensen have been included in the Vow group accounts from 1 April 2022.

Largest landbased contract to date secured

In May Vow entered into an agreement with an undisclosed North American renewable energy company to deliver a complete biocarbon production system within the United States valued at USD 24 million. This is the largest single landbased contract signed to date by Vow, and the project currently under development is a first of its kind for Vow in the US. It marks a key strategic opportunity to make economic and environmental impact in the US market going forward. Engineering is ongoing, construction is pending local permits.

Vow and Controlpartner establish joint venture within automation

In September 2022, Vow and Controlpartner established a joint venture within automation, Vow Automation AS, in which Scanship will own 50.1 per cent and Control Invest AS will own 49.9 per cent. The aim of Vow Automation is to develop better digitised control systems, mainly to the Vow group and its many projects and system deliveries.

Vow and ETEL team up for recycling of end-of-life tyres

In December 2022, Vow ASA teamed up with European Tyre Enterprise Ltd. (ETEL), to deploy Vow's advanced technology in a complete solution to convert end-of-life tyres to valuable raw material and renewable energy. ETEL has identified a potential demand for more than 300 tyre recycling plants in Europe, North America and Japan.

EVENTS AFTER THE BALANCE SHEET DATE

In February 2023, ETIA Ecotechnologies received orders for a total of three Safesteril food safety systems. The combined value of these orders was EUR 2.0 million.

Also in February 2023, C.H. Evensen was awarded a large order for advanced technology to Uddeholm, a leading Swedish metals manufacturer. The contract has a value of NOK 24 million and took C.H. Evensen's order backlog to a total of NOK 155 million.

In March, it was announced that Tina Tønnessen has been appointed Chief Financial Officer (CFO) effective as of 1 May 2023, following current CFO Erik Magelssen's decision to leave the company to pursue new opportunities.

PROJECT ORDER BACKLOG

Vow had a total order backlog of NOK 1 190 million at 31 December 2022, compared with NOK 1 400 million at the end of the first half of the year and NOK 1 291 million at the end of 2021. Of the total backlog, NOK 749 million relates to the Projects Cruise segment, while the remainder, NOK 441 million, relates to the Landbased segment. In addition to the backlog, Vow had secured option agreements to a total value of NOK 857 million in future revenues.

GOING CONCERN

The annual financial statements for 2022 have been prepared on the assumption that Vow is a going concern under section 3-3a of the Norwegian Accounting Act. Regarding the group's results, financial position, backlog, and forecasts for the years ahead, the conditions required for continuation as a going concern are hereby confirmed to exist. In the board's opinion, the group's financial position is good.

FINANCIAL REVIEW

The following financial review is based on the consolidated financial statements of Vow ASA and its subsidiaries. The statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with the Norwegian Accounting Act. In the view of the board, the income statement, the statements of comprehensive income, changes in equity and cash flow, the statement of financial position, and the accompanying notes provide sufficient information

about the operations, financial results and position of the group and the parent company at 31 December 2022. Vow reports its operations in three segments; Projects Cruise, Aftersales and Landbased. Further comments are provided under each of the business segments.

Consolidated statement of income

Revenues for the group amounted to NOK 782.8 million for 2022, up from NOK 454.1 million recorded for 2021. The organic increase in revenue is driven by growth in all segments, with significant progress in all segments. Project Cruises revenues grew 22 per cent to NOK 358.6 million. The Aftersales segment more than doubled revenues to NOK 119.9 million in 2022 and demonstrated a solid recovery following a period of negative impact from the Covid-19 pandemic in 2021. In the Landbased segment, revenues grew more than 180 per cent from 2021. This progress was driven by the order with Vow Green Metals (VGM) for delivery of equipment and engineering to the Follum plant. The revenue development is further described under the description for each of the business segments below.

Gross margin was recorded at 37.8 per cent for 2022, the same level as 2021.

The Vow Group has seen significant revenue growth over the past few years. This has resulted in a general increase in the operating expenses, following a larger and more complex organisation, as well as investments in future growth. At the same time, Vow has improved its operational efficiency considerably over the same years, improving the EBITDA margin from 2021 to 2022.

All three business segments recorded improvements in EBITDA for 2022, compared with 2021. For the full year, EBITDA before non-recurring items came in at NOK 92.2 million, representing a margin of 11.8 per cent, compared with NOK 41.1 million and a margin of 9.1 per cent for 2021.

Vow had non-recurring costs of NOK 6.7 million in 2022, compared with NOK 9.8 million in 2021. The non-recurring costs in 2022 are primarily related to the acquisition of C.H. Evensen.

Depreciation and amortisation amounted to NOK 32.2 million for the full year of 2022, compared with NOK 24.3 million for 2021. The increase is related to the inclusion of the C.H. Evensen operations and the increase in investment level over the last years.

Net financial items for 2022 were recorded with a net financial expense of NOK 31.1 million, compared with a net financial income of NOK 315.3 million for 2021. Net financial items for 2021 included a gain from the demerger of the Vow Green Metals operations from Vow ASA with an income of NOK 341.6 million which reflected the fair value adjustment and value creation of the demerger and stock exchange listing process of Vow Green Metals. The net financial items also include Vow ASA's share of net profit from the associated company VGM and internal gain effects, recorded as a financial cost of NOK 22.1 million, compared with a financial cost of NOK 7.4 million for 2021.

The net other financial items in 2022 were recorded with a financial cost of NOK 8.9 million, compared with a financial cost of NOK 18.9 million for the same period in 2021. The decrease in 2022 is mainly related to certain currency effects.

The result before tax for the Vow Group came in at NOK 22.3 million for 2022 compared with NOK 322.3 million for 2021.

The group had income tax expenses of NOK 7.9 million for 2022, compared with income tax revenue of NOK 1.0 million for 2021. In sum, this provided the group with a profit for the year of NOK 14.4 million, compared to a profit for the year of NOK 323.4 million in 2021.

Cash flow

Operating activities generated a net cash outflow of NOK 72.2 million for 2022, compared with an inflow of NOK 18.0 million for 2021. Operating activities were high in 2022, continuing to build the organisation and to deliver on ongoing projects. The high activity level and significant increase in net contracts in progress and other working capital generated a negative cash flow from operations for the year. A significant part of the contracts in progress will be invoiced in the start of 2023, giving net positive cash flow generation.

For the full year 2022, investments made within intangible assets and fixed assets amounted to NOK 117.1 million compared with NOK 96.1 million for the full year 2021. The investments have primarily been made within the Landbased segment to further strengthen and develop this part of the group. In 2022 investments have also been made with NOK 25 million in cash for the acquisition of C.H. Evensen and NOK 21.8 million for the purchase of own shares in Vow ASA.

Financing activities in 2022 generated a positive cash flow of NOK 114.6 million. In 2021, financing activities generated a positive cash flow of NOK 341.1 million, following both the equity financing in March and the new long-term financing drawn up in June that year.

Financial position

At 31 December 2022, Vow had total assets of NOK 1 452.4 million, compared with NOK 1 106.6 million at the end of 2021. The increase in the total balance sheet of the group follows the significant increase in the activity and revenue level in all business segments during 2022. In addition, the inclusion of the balance sheet of C.H. Evensen from 1 April 2022 also increase the total balance sheet levels for the Vow group.

A total number of 201 001 employee stock options were exercised in September 2022 at a price of NOK 16.74 per share. As settlement of the options that were exercised, 201 001 new shares were issued at the exercise price NOK 16.74.

Following the issuance of the new shares, the issued share capital of Vow ASA is NOK 10 737 621.4385 consisting of 114 840 871 fully paid shares, each with a par value of NOK 0.09350.

Scanship AS has a bank overdraft facility with a limit of NOK 65 million, as well as a trade finance facility with limit of NOK 40 million, in total NOK 105 million. C.H. Evensen has an overdraft facility with a limit of NOK 10 million.

In June 2021, Vow secured NOK 320 million in long-term financing from DNB ASA, establishing a strong financial foundation for further innovation and project development in land-based industries. The financing arrangement consists of a NOK 170 million term loan facility and a NOK 150 million revolving credit facility (RCF), both classified as "green financing" at attractive terms, and within the DNB Sustainable Product Framework. This framework includes a verification by DNV, the assurance and risk management company, and is based on the international Green Loan Principles (GLP). The NOK 170 million term loan with DNB is drawn up as per 31 December 2022. The RCF facility is drawn with NOK 135 million as per 31 December 2022.

At the end of December 2022, Vow had total equity of NOK 530.6 million, representing an equity share of 37 per cent, compared with NOK 523.7 million at the end of 2021, representing an equity share of 47 per cent.

The board is of the opinion that the group has adequate funds in order to meet its financing needs for further growth in the next 12 months.

Segments

The Vow Group is organised across three operating segments: Projects Cruise, Aftersales and Landbased. The segment Projects Cruise includes sales of systems to shipyards for newbuild constructions or to ships in operations as retrofits, while Aftersales are related to the sale of spares and consumables, as well as service on delivered systems.

Projects Cruise

NOK million	2022	2021
Revenues	358.6	294.2
EBITDA before non-recurring items	76.9	67.9
EBITDA before non-recurring items margin (%)	21.4%	23.1%
Order backlog	749	1 012

Revenues in the Projects Cruise segment amounted to NOK 358.6 million for 2022, compared to NOK 294.2 million in 2021. Revenues from Projects Cruise continue to grow on a long-term basis as the cruise industry is regaining speed and cruise liners place new orders for Vow to deliver solutions for cleaner oceans. The revenue level within Projects Cruise is primarily related to the phasing of the newbuilding and retrofit projects and the timing of equipment deliveries from Scanship.

EBITDA for the segment came in at NOK 76.9 million for the year, representing a margin of 21.4 per cent, compared with NOK 67.9 million for 2021, equivalent to a margin of 23.1 per cent.

Order backlog for segment Projects Cruise was NOK 749 million at the end of the year, compared with NOK 1 012 million at year-end 2021.

Operational activity for Vow's subsidiary Scanship AS continued on a high level in 2022, with major system deliveries to 28 cruise newbuilds and 3 retrofit projects. In addition, Scanship commissioned 8 newbuild projects in the year.

Aftersales

NOK million	2022	2021
Revenues	119.9	51.9
EBITDA before non-recurring items	14.0	0.4
EBITDA before non-recurring items margin (%)	11.7%	0.7%



In December Vow signed an MOU with ETEL. The parties have already developed a full industrial process, in which end-of-life tyres are valorised into a premium recovered carbon black.

Revenues for the Aftersales segment came in at NOK 119.9 million for 2022, more than double the NOK 51.9 million reported for 2021. The increase was driven by higher activity levels as cruise ships around the world resumed normal operations during the first half year 2022, after the covid-related travel restrictions were eased.

With more newbuilds being delivered to the market with Vow systems, the market for sales of spares, consumables and service grows.

EBITDA for the segment showed an improvement from last year's profit of NOK 0.4 million, to a profit of NOK 14.0 million in 2022. The improvement was driven by the higher revenue base in the year.

Landbased

NOK million	2022	2021
Revenues	304.3	108.0
EBITDA before non-recurring items	37.7	(7.1)
EBITDA before non-recurring items margin (%)	12.4%	(6.5%)
Order backlog	441	279

Revenues for the Landbased segment amounted to NOK 304.3 million for 2022, up from NOK 108.0 million for 2021. The progress is driven by the order with Vow

Green Metals for delivery of equipment and engineering to the Follum plant. Revenue from the C.H. Evensen operations was NOK 45.5 million for 2022.

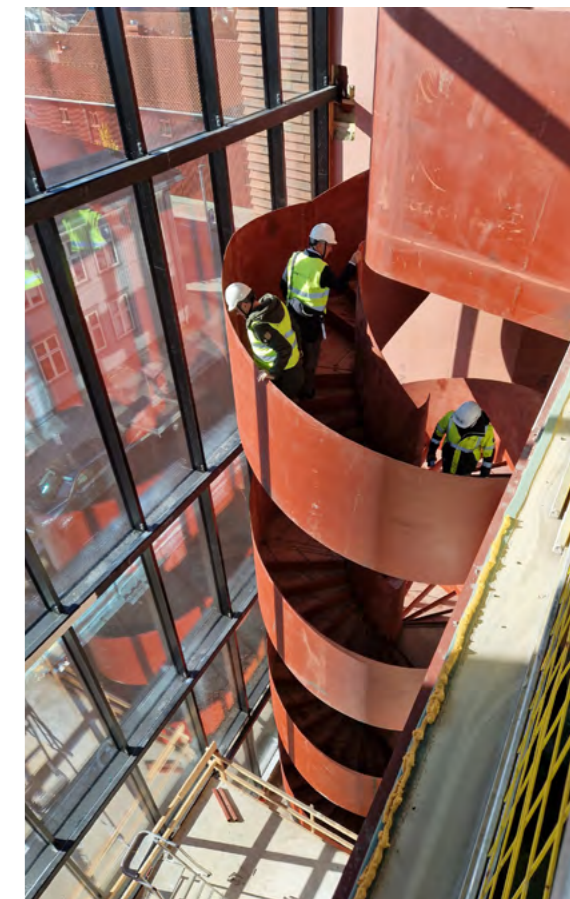
With the acquisition of C.H. Evensen, Vow has increased the revenue base for the Landbased segment significantly. Vow has also made substantial investments in the ETIA operations and the Landbased segment, both through operating expenses and R&D investments, in order to grow the revenue base and profitability of this business segment.

EBITDA for the segment came in at a NOK 37.7 million, compared with a negative of NOK 7.1 for 2021.

Order backlog for the Landbased segment amounted to NOK 441 million at the end of 2022, compared with NOK 279 million at the end of 2021. During the second half year the C.H. Evensen operations have been awarded multiple contracts with a combined value of NOK 57 million.

Parent company and allocation of net profit

The parent company, Vow ASA, primarily has



Exciting times ahead for our Tønsberg-based team.

This year our Tønsberg team has been watching the building site of their new offices from their temporary premises. The new building is devoted entirely to our new Vow offices, and is located in the heart of the city centre in Tønsberg. We are looking forward to moving in March 2023.

administrative costs related to the listing at Oslo Stock Exchange, audit and legal fees, remuneration of the board and certain operating costs related to the development of the Landbased business segment. The operating result for 2022 was recorded at a loss of NOK 27.0 million compared with a loss of NOK 22.6 million for 2021. The main reasons for the higher operating costs in 2022 are the non-recurring costs related to the acquisition of C.H. Evensen and the costs incurred to further strengthen and develop the landbased operations.

Net financial items for 2022 were recorded with a net financial cost of NOK 6.8 million, compared with a net financial income of NOK 336.3 million for 2021. Net financial items for 2021 included the gain from the demerger of the Vow Green Metals operations from Vow ASA with an income of NOK 341.6 million, reflecting the fair value adjustment and value creation of this demerger and stock exchange listing process.

The result before tax for the year ended at negative NOK 33.8 million for 2022, compared with NOK 313.7 million for 2021. The parent company had total assets booked at a value of NOK 923.5 million at 31 December 2022, compared with NOK 823.3 million at the end of 2021. The parent company had total equity of NOK 604.9 million at 31 December 2022, representing an equity ratio of 66 per cent.

The board proposes the following allocation of the net loss of NOK 27.5 million for the parent company (Vow ASA):

Retained earnings: Negative NOK 27.5 million.

RESEARCH AND DEVELOPMENT (R&D)

The majority of Vow's development work in 2022 have been projects and investments made to further strengthen and develop the Landbased segment. These are investments made towards several industry verticals – the metallurgical industry, end of life tyres, the plastics

area, and industry decarbonisation in general. The development work done is also a significant value for the best configuration of the process equipment which is now in preparation to be delivered to Vow Green Metals plant at Follum. Vow has also made significant R&D investments towards the cruise industry in 2022, most notably for the continued development of the Microwave Assisted Pyrolysis ("MAP") Waste to Energy system. During 2022, Vow invested NOK 95.1 million on its product development activities, compared with NOK 86.7 million in 2021. Intangible assets from product development activities were at 31 December 2022 booked at NOK 332.8 million, up from NOK 232.6 million at the end of 2021, the increase primarily being a result of the investments made within the Landbased segment and the acquisition of C.H. Evensen.

RISKS AND RISK MANAGEMENT

The Vow Group is subject to a number of risks, including operational and financial risks. The board and executive management are continuously monitoring the group's

risk exposure and the group constantly strives to improve its internal control processes. Below is a summary of the key financial risks for the group. More details on the risk factors are included in the notes to the financial statements.

Financial risks

The group is exposed to financial risks in various areas. Among these, the key risks are related to the market, currency, credit and liquidity risks.

Vow's business has continued mostly as planned in 2022, without significant changes in delivery schedules to the cruise industry. The geopolitical situation has however caused macroeconomic uncertainty and inflationary pressure, which may impact consumer preferences and demand for vacations going forward.

Vow does not have any operations in Russia or Ukraine, however development relating to Russia's invasion of Ukraine could adversely affect global and regional economic conditions and trigger volatility in the prices

of energy. These effects may indirectly affect Vow's operations.

Market risk

There is a risk for Vow that increased competition in the market space for supplies of advanced wastewater purification and waste management systems may have a negative effect on future revenues. If the cruise industry experiences overcapacity and pressure on consumer pricing, newbuild activities may slow down. If the overall financial markets would slow down, shipowners may have reduced capacity to finance newbuilds with the effect of lowering newbuild constructions.

Currency risk

The group has earnings mainly in NOK, EUR and USD. The operating- and administration expenses are mainly in NOK, EUR and USD. The group is reducing the currency exposure by applying instruments for hedging the net foreign currency exposure in connection with major projects. The group has bank deposits, receivables and short-term liabilities in foreign currencies.

Credit risk

The group is mainly exposed to credit risk related to trade receivables. The customers are primarily large cruise shipowners, shipyards in Europe, and industrial customers for the ETIA systems. Due to the nature of the business and the size of its customers, the group is predominantly working with customers with a satisfactory credit history. The credit risk is mainly related to newbuilding contracts where a few yards are counterparts. This is increasing the credit risk. However, due to the nature of newbuilding financing, the management considers the overall risk of loss on receivables to be relatively low. The actual losses on trade receivables have historically been very low, and no losses were incurred on trade receivables in the period 2020-2022. The group has a credit risk insurance agreement ("kredittforsikring") on its trade receivables. This agreement with a Nordic insurance company covers the potential losses incurred by Scanship AS on its trade receivables, subject to certain restrictions, and reduces the ultimate credit risk for the group substantially. This insurance agreement is entered into as an additional risk-mitigating factor.

Liquidity risk

Liquidity risk is the risk of being unable to pay financial liabilities as they fall due. The liquidity risk for the group is primarily related to the timing of the payments on its trade receivables from the shipyards in Europe on the Newbuild projects. Certain shipyards exercise longer

payment terms than others. For many years, Vow has had close and regular contact with all of its shipyard customers. Managing this relationship is one of the key factors for the group in the daily management of its liquidity risk. Historically, the group has had very limited losses on its accounts receivable. Though payments from shipyards have been delayed beyond the agreed credit term during specific periods, they have historically always paid their liabilities. Vow also has a certain flexibility in its own supplier base and longer payment terms are sometimes agreed upon with suppliers in periods where customer payments are delayed. The Vow management considers the management of liquidity risk a priority.

Compared to retrofit projects, for which payments are received after meeting certain milestones, newbuild projects for which the group receives payments late in the process give the group a different structure of liquidity risk. Given the shorter time cycle on retrofit projects from when the contract is signed to the initiation, the supplier payments incur earlier. Therefore, although the milestones are set up to enable a positive net cash flow on the projects, a delay in the retrofit projects will naturally also increase liquidity risk.

Estimation risk

The preparation of the financial statements in accordance with IFRS requires the management to make judgements, use estimates and assumptions that affect the reported amounts of assets and liabilities, income, and expenses.

The uncertainty is highest in relation to the project evaluations and the following factors:

- Total hours estimated
- Total estimated costs
- Technical complexity that may impact total costs

These estimates have a direct influence over the amount of revenue recognised.

CORPORATE GOVERNANCE

Good corporate governance provides the foundation for long-term value creation that benefit shareholders, employees, and other stakeholders. The board of Vow has established a set of governance principles in order to ensure a clear division of roles between the board, the executive management and the shareholders. The principles are based on the Norwegian Code of Practice for Corporate Governance.

Vow is subject to annual corporate governance reporting requirements under section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance, cf. Oslo Rule Book II – Issuer Rules section 4.4 under Continuing obligations for Issuers of Shares. The Accounting Act may be found (in Norwegian) at www.lovdata.no. The Norwegian Code of Practice for Corporate Governance, which was last revised on 14 October 2021, may be found at www.nues.no. The annual statement on corporate governance for 2022 has been approved by the board and can be found on page 58 of this annual report.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Since 2020 Vow has been a member of UN Global Compact. By participating in the UN Global Compact, Vow is committed to the UN Global Compact's ten principles in the areas of human rights, labour, environment, and anti-corruption.

Vow's business depends on the trust of customers, contractual parties, the authorities, shareholders, employees and society in general. To gain trust, the group is dependent upon professionalism, expertise, and high ethical standards in all aspects of the group's work.

Vow's Employee Code of Conduct sets forth the basic principles for business practices and personal behaviour for employees and persons/entities holding a position of trust with the group and hired consultants acting on behalf of the group.

Vow is promoting responsible business practices in the supply chain and sets ethical standards for its suppliers and business partners through Vow's Supplier Code of Conduct. Environmental, social and governance (ESG) criteria are integrated in supplier due diligence processes. Both the Employee and Supplier Code of Conduct are available on www.vowasa.com.

Environment and climate action

The entire business of Vow is built on the fundamental belief that we need to take better care of the world. Vow's technology and solutions enable our customers to manage their waste and energy challenges in a sustainable manner. Our waste to energy carbon capture technology reduces the use of fossil fuels and lower CO₂ emissions.

Vow has calculated the group's scope 1 and 2 emissions in accordance with the Greenhouse Gas (GHG) Protocol,

and started to prepare climate disclosures after the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The climate accounts are included in the Sustainability Report on page 37 of this annual report.

Diversity and equal opportunities

At 31 December 2022, the group had 251 employees, of which 50 were women. The board of Vow ASA consists of four persons, of which two are women. Vow is committed to promoting equality and equal treatment at all stages of the organisation and other relationships. A statement on equality and non-discrimination in accordance with the Norwegian Equality and Anti-Discrimination Act will be published in May 2023. Numbers on equality and diversity are presented in the Sustainability Report on page 43.

Working environment, sickness absence, incidents and injuries

The group has a relatively low absence due to illness with 2.3 per cent in 2022 and 1.4 per cent in 2021. The group has a strong focus on HSEQ (Health, Safety, Environment and Quality) and adheres to strict HSEQ-routines. No injuries or accidents causing material damages or personal injuries were reported during the year. Vow has a vision of zero harm to people and is continuously working to improve HSEQ procedures.

SHARE AND SHAREHOLDER MATTERS

Vow ASA is listed on Oslo Stock Exchange (ticker: VOW). Vow has one class of shares and all shares carry equal rights. Each share has a face value of NOK 0.0935 and carries one vote at the general meetings. The company emphasises equal treatment of its shareholders and the shares are freely negotiable. No restriction on negotiability is included in the Articles of Association.

In March 2022 the company carried out a share buy-back program. The purpose of the programme was to fulfil its obligations arising from employee share option programs and if required, deliver consideration shares to C. H. Evensen Holding AS in respect of Scanship AS' acquisition of the shares in C. H. Evensen Industrioover AS. The total programme comprised 1 000 000 shares repurchased in the market for a total consideration of NOK 21 765 251. The weighted average price for the shares was NOK 21.7653.

In October 2022, 201 001 new shares were issued at NOK 16.74 per share following the exercise of employee

stock options. Following registration of the new share capital, the share capital of Vow ASA was NOK 10 737 621 divided into 114 840 871 shares at year-end 2022. During 2022, the Vow share traded between NOK 15.88 and NOK 26.74 per share, with a closing price of NOK 17.77 per share at 31 December 2022.

At 31 December 2022, the company had a total of 6 718 shareholders, of which the 20 largest shareholders held a total of 74.8 per cent of the shares.

OUTLOOK

Vow continues to support its customers in their quest to recycle valuable resources from waste, decarbonise their value chains and become more environmentally sustainable.

During 2022, the global cruise ship fleet has returned to normal operations. This is reflected by the increase in our revenue level in the Aftersales segment. As more cruise newbuilds have been delivered with Vow systems in recent years, Vow's addressable market for Aftersales has increased.

At the same time, Vow continues to deliver more newbuild and retrofit projects in cruise. The order backlog provides good visibility for revenues well into 2025/26. A cruise ship version of Vow's Biogreen solution is being developed for cruise operators that are seeking ways to further improve the environmental footprint of their operation.

In Norway, Vow is currently in the process of producing and assembling equipment for Vow Green Metals' first biocarbon plant based on Vow's advanced pyrolysis technology Biogreen. The two companies have also made an agreement regarding the transfer of a 2 500 tonnes biocarbon production facility from Vow to Vow Green Metals. Vow continues to make investments in the Landbased segment, and the acquisition of C.H. Evensen further strengthens the group's foothold capacities and growth prospects in this segment.

With the Vow Green Metals Follum project and the large scale pyrolysis reactor now being built by C.H. Evensen, Vow is positioned as a supplier of large capacity pyrolysis systems to industries. As a result of this positioning, Vow is now experiencing increased demand for large industrial scale pyrolysis projects.

The large contract awarded in May in the US and the partnership with ETEL announced in December are also results of this new demand.

As a provider of world leading technologies that can eliminate pollution, enhance circular economy and mitigate climate change, and with a proven ability to deliver reliable technology at a competitive price, Vow is well positioned to meet the global trends of green industry transition and turning waste into valuable resources. The company's proven ability to deliver technology at industry scale has meant a significant shift. The company is now attracting broad interest for its solutions from leading industrial groups across the US, Latin America, Europe and in the Nordic countries.

Lysaker, Norway, 25 April 2023

The board of directors and CEO – Vow ASA



Narve Reiten
Chair



Bård Brath Ingerø
Director



Hanne Refsholt
Director



Susanne L. R. Schneider
Director



Henrik Badin
CEO

Converting wood waste and other biogenic materials to climate neutral syngas and biochar, a key to understanding Vow's value proposition and contribution to a more sustainable future.

PRESENTATION OF BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT TEAM

BOARD OF DIRECTORS

NARVE REITEN Chair

Mr. Reiten is the founder of the private equity firm Reiten & Co. He has extensive investing and operational experience in the Nordic market. Prior to Reiten & Co, he was employed by a ship owning company, working on project development and M&A. Mr. Reiten holds a Master of Business and Economics degree from the Norwegian School of Management and is a Certified Financial Analyst (CFA) from the Norwegian School of Economics. Mr. Reiten currently serves on the board of several of Reiten & Co's portfolio companies. Mr. Reiten owns Ingerø Reiten Investment Company AS together with Mr. Ingerø which holds 31 145 000 shares in Vow ASA.

SUSANNE SCHNEIDER Director

Ms. Schneider is a practicing lawyer and partner with the Norwegian law firm Skagastøl DA in Oslo.

She has a law degree from the University of Oslo (UiO), Norway, and a Master in Business Administration from the International Institute for Management Development (IMD) in Lausanne, Switzerland. Her main areas of expertise include contract law, capital markets and M&A transactions. She has previously held the position as legal counsel with Elkem ASA, head of legal of Aker Yards ASA, and head of legal of Tandberg Data ASA. Ms. Schneider has extensive director/board member experience from various industries and companies.

BÅRD BRATH INGERØ Director

Mr. Ingerø has been a partner with the private equity firm Reiten & Co since 1993 and currently serves as managing partner.

He has extensive financial transaction and private equity experience from most of Reiten's investments. Mr. Ingerø holds a degree in Economics from the University of Oslo, and has also completed a master programme about sustainable business strategy in 2022 at NHH (Norwegian School of Economics). He serves on the board of several of Reiten & Co's portfolio companies. Mr. Ingerø owns Ingerø Reiten Investment Company AS together with Mr. Reiten which holds 31.145.000 shares in Vow ASA.

HANNE REFSHOLT Director

Hanne Refsholt currently holds board positions in a number of prominent organisations. She is chair of the board for the food company HOFF SA and for NMBU, a board member of SINTEF and chair of the board for Red Cross Oslo as well as being a board member of Vow ASA.

Ms Refsholt has previously served as CEO for TINE SA (14 years) following a long and distinguished career in the company holding various different positions. She has broad experience in change processes, innovation and multi-stakeholder management. Ms. Refsholt holds a Master of Food Science degree from NMBU and a Master of Business Administration degree from the Norwegian School of Management (BI). As a top leader of one of Norway's highest profile companies over many years and through many complex challenges, Ms. Refsholt's insights are a valuable resource in changing times.

EXECUTIVE MANAGEMENT TEAM

HENRIK BADIN Chief executive officer

Henrik has 30 years of experience related to environmental engineering onshore and in the maritime industries. After joining Scanship in 2001 and serving various management positions in Scanship Environmental, he was appointed CEO of Scanship in 2006.

Henrik holds a Master of Science degree in Civil Engineering from NTH (NTNU).

ERIK MAGELSEN Chief financial officer

Before joining Scanship in January 2017, Erik has more than 15 years of experience as CFO in companies like VIA Travel Group ASA and Kongsberg Automotive ASA. He has also held the position of group finance manager in Wilh. Wilhelmsen ASA. Erik has a BA degree from Heriot Watt University in Edinburgh and has attended the Norwegian School of Economics (NHH) CPA, "Statsautorisert revisor" as well as the Executive Education Program at Harvard Business School.

TINA TØNNESSEN Chief financial officer (from 1 May 2023)

Tina Tønnesen joins Vow from DNB, Norway's largest bank, where she has worked in corporate banking, and most recently in DNB Markets' Investment Banking Division. Prior to joining DNB, she was an auditor in KPMG. She is a Certified European Financial Analyst (CEFA), and has a master's degree in Business Analysis and Performance Management from the Norwegian School of Economics (NHH).

JONNY HANSEN Chief operating officer (COO) and deputy CEO of Vow group

Jonny joined Scanship in 2006 and became COO in 2007 until the end of 2012. Coming out of employment as COO in Vissim and VP supply chain in OceanSaver, he rejoined Scanship in 2017 as responsible for strategic initiatives. In April 2018 he returned to the COO position. Jonny holds a mini MBA DIP from Probana Business School adding to his management experience in addition to his automation engineering education from technical college.

MALENA MORSBACH Chief of staff

Malena has more than 10 years of experience working with HR both in Germany and Norway. Her most recent experience before joining Vow was as HR advisor in Scatec ASA. Malena has a Master of Arts in Management and Entrepreneurship from Leuphana University in Lüneburg, Germany. As Chief of staff, Malena is supporting the executive management by helping to maximise the efficiency of the EMB and the group management team. The main focus of the role is to oversee group-wide strategic business initiatives from development to successful implementation.

PER CARLSSON Chief Development officer

Per has a more than 15 years research and development experience of thermal conversion process including combustion, gasification, pyrolysis and torrefaction. In the CDO role he oversees, coordinates, and approves the R&D activities in all Vow group of companies. Per holds a MSc in mechanical engineering and a PhD in energy engineering and has previously worked as researcher, senior business developer and research manager. He joined the Vow group in August 2021.

SUSTAINABILITY REPORT 2022

FIVE

countries with operations
Norway, France, Poland,
US, and Italy

117

patents within 17
families of patents

4450+ systems installed

of which 290 systems are installed on 130 cruise ships, 60 systems within landbased, waste and biomass valorisation, 100 systems with food processing and 4000+ CH Evensen systems

251

employees
of which 50
women
and 28
nationalities
per 31.12.22

25% by 2025

Gender equality target of ≥ 25 per cent women in
management positions by 2025, compared to 15
per cent in 2022

227.3 tCO₂e

in scope 1 and 2
NET ZERO ambition by 2025

2.3%

sick leave

ZERO

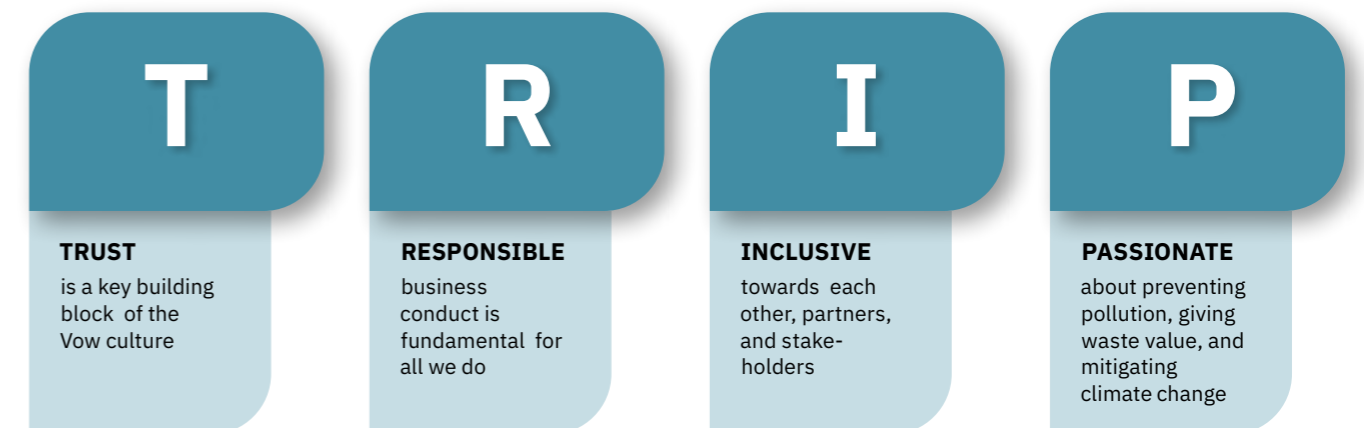
high-consequence
work-related injuries

SUSTAINABILITY IN VOW

The world is facing multiple sustainability challenges. Climate change, ocean acidification, increasing chemical pollution and changes to the natural nitrogen and phosphorus cycles are among the changes that are threatening the Earth's resilience and ability to sustain life. Vow is determined to be a part of the solution and sees it as its mission to continuously develop and improve solutions to maximise environmental sustainability impact.

Vow's story began in the early 1990s with Scanship and its water purification and waste treatment systems for cruise ships. Since then, Etia, Ascodero, and C.H. Evensen have joined the group and expanded Vow's business activities. In addition to maritime solutions, Vow now provides industrial robotics solutions, industrial furnaces and circular solutions that convert biomass and waste into valuable resources generating CO₂ neutral energy and biocarbon.

The Sustainability report for 2022 is the third in line. We experience that the level of maturity in relation to sustainability in our culture increases every year. This is reflected in the report with regards to improvements of content and its presentation. To deliver on this in day-to-day operations and to further grow and develop, Vow's values are central. The values create good corporate culture and act as a compass that guides Vow employees on the TRIP towards a sustainable future. Vow's values are:



This report is prepared with reference to the GRI Standards. The information covers all consolidated subsidiaries within the Vow group. The main practice is that subsidiaries are fully consolidated from the date on which control is transferred to the group, and that they are deconsolidated from the date that control ceases. HR-related topics are however consolidated on a quarterly basis, whereas GHG emissions are consolidated for the whole year.

The 2022 sustainability report is not externally assured. Vow aspires to seek external assurance for the 2023 sustainability report.

The report is structured with reference to the material sustainability topics which is presented in the next chapter.

STAKEHOLDERS AND MATERIALITY

As prescribed by GRI, Vow has identified its stakeholders and material topics for the group. This is an imperative step in providing guidance and direction for Vow's sustainability work.

STAKEHOLDER GROUPS

Vow has identified several stakeholder groups. This includes key stakeholders which have a great and

immediate impact on Vow operations, and other stakeholder groups whose influence is also clear. The identified stakeholders are listed below.

KEY STAKEHOLDERS	OTHER STAKEHOLDERS	
Customers	Authorities	Local communities
Employees	Board of directors	Media
Shareholders and investors	Business and research partners	NGOs
	Classification society	Unions
	Competitors	Policy makers
	Corporate management	Public funding agencies
	Lenders	Suppliers and workshops

Customers, employees, shareholders, and investors are identified as Vow's key stakeholder groups. For Vow to reach its mission, customer's motivation and demand for environmental solutions are crucial. In cooperation with the customers, Vow employees are developing and customising solutions suited for each

unique customer's needs. Employees are furthermore essential in day-to-day operations and are ensuring good customer relationships and customer satisfaction. Finally, shareholders and investors are key in providing funding for operations, as well as stimulating innovation and promoting sustainability further.

STAKEHOLDER	FORUM FOR COMMUNICATION	TYPE OF INTEREST
Customers	Conferences, e-mail, physical/digital meetings, podcast, social media, web page	Circular economy, climate action, pollution prevention, environmental innovation, ethics and anti-corruption, product quality and compliance, responsible sourcing and procurement, partnerships
Employees	E-mail, intranet, physical/digital meetings, performance and development dialogue, podcast, Teams/WhatsApp, web page, webcast, social events	Circular economy, climate action, pollution prevention, environmental innovation, occupational health and safety, diversity and equal opportunities, human capital development
Shareholders and investors	Corporate reporting, e-mail, podcast, quarterly presentations, roadshows, webcast	Circular economy, climate action, pollution prevention, environmental innovation, ethics and anti-corruption, human and labour rights



Vow is in daily contact with members of the key stakeholder groups. Through conversations about Vow solutions, Vow gets to know the customers and their areas of interest. Vow is continuously working to maintain and improve its good culture and working environment for its employees that enable cooperation across business units and promoting low threshold for seeking advice and raising concerns. Vow is continuously in contact with shareholders with regards to sustainability topics. The group aims to continuously improve stakeholder dialogue as Vow grows and develops as a company.

MATERIAL SUSTAINABILITY TOPICS

Material topics are those that reflect an organisation's significant economic, environmental, and social impacts. The process of identifying material topics for Vow was conducted in 2020 and was led by the sustainability director. The work began with internal working groups that consisted of relevant employees. The foundation developed in these working groups was further used as a basis for meetings and dialogue with the management and board of directors. As a result of the process, the following 12 material topics were identified for Vow:

ENVIRONMENT AND CLIMATE ACTION	PEOPLE AND SOCIETY	SUSTAINABILITY GOVERNANCE
<ul style="list-style-type: none"> Climate action Circular economy Pollution prevention Environmental innovation 	<ul style="list-style-type: none"> Occupational health and safety Human capital development Diversity, equality, and inclusion Human and labour rights 	<ul style="list-style-type: none"> Responsible sourcing and procurement Ethics and anti-corruption Product quality and compliance Partnerships

The four material topics which were identified for environment and climate action reflects the core of Vow's mission and solutions. Vow provides its customers with innovative technology that can contribute to climate change mitigation, promotion of circular economy, and

pollution prevention. The material topics addressing people and society, and sustainability governance, all have important roles to play in supporting Vow and its mission. The table below provides further explanation to each of the material topics.

ENVIRONMENT AND CLIMATE ACTION	PEOPLE AND SOCIETY	SUSTAINABILITY GOVERNANCE
<p>Climate action Mitigating climate change through industry decarbonisation and taking responsibility for Vow's direct and indirect emissions.</p>	<p>Occupational health and safety Ensuring good health and safety for employees through having strict requirements for health and safety. Vow strives to achieve a vision of zero harm to people.</p>	<p>Responsible sourcing and procurement Taking responsibility for environmental, social and governance issues throughout the supply chain.</p>
<p>Circular economy Enabling customers to turn waste into valuable resources and clean energy, and in addition, having a circularity mindset in Vow's own operations.</p>	<p>Human capital development Developing people while developing business. Vow's employees are the group's most important resources.</p>	<p>Ethics and anti-corruption Ethics are important in all we do. Vow recognises its responsibility as an international business player to continuously work on anti-corruption.</p>
<p>Pollution prevention Providing customers with solutions that eliminates pollution and working to prevent pollution in the value chain.</p>	<p>Diversity, equality and inclusion The principles of diversity, equality and inclusion are fundamental. A diversified workforce helps Vow succeed with its mission.</p>	<p>Product quality and compliance Vow's products and services are subject to strict requirements in terms of quality and compliance, ensuring strong customer relationships.</p>
<p>Environmental innovation Behind Vow's solutions are environmental innovations contributing to climate change mitigation, circular economy, and pollution prevention.</p>	<p>Human and labour rights Vow is committed to respecting fundamental human and labour rights, both in Vow's own business and throughout the value chain.</p>	<p>Partnerships Partnerships enable Vow to pursue its mission to maximise environmental sustainability impact, as well as social impact.</p>

The material topics are, at a minimum, reviewed by the executive management team and board of directors once a year. In 2022, there were not made any significant changes. Vow is however planning to initiate a new materiality assessment according to the new GRI standards in 2023. The new standard emphasises double materiality, i.e., impact from an organisation's

economic activity on both the organisation itself and the environment and society. Conducting a new materiality analysis will have effects on the sustainability strategy and improve Vow's sustainability work. Moreover, Vow will evaluate the relevance of the upcoming GRI sector standards.

CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS






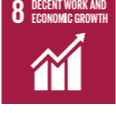

The United Nations' sustainable development goals (SDGs) set forward an action plan to overcome the grave challenges the world is facing. The 17 SDGs with their 169 targets demonstrate that the challenges are interlinked and that they must be solved simultaneously.

Businesses undoubtedly have responsibility to contribute to the achievement of the SDGs. Vow

acknowledges this and is continuously working to ensure that customers are provided with solutions that maximise environmental sustainability impact as well as ensuring that the supporting activities in bringing these solutions together are sustainable.

As illustrated below, Vow contributes to several of the SDG targets through its solutions and supporting activities. More details on how Vow contributes to the SDGs are provided in the subsequent chapters.

PRIORITISED SDGS – GREATEST AREA OF IMPACT

SDGS	RELEVANT SDG TARGETS	VOW MATERIAL TOPICS WITH IMPACT ON SDG TARGETS
	<ul style="list-style-type: none"> Action to combat climate change (13) 	<ul style="list-style-type: none"> Climate action Circular economy Environmental innovation Partnerships
	<ul style="list-style-type: none"> Increase the share of renewable energy (7.2) 	<ul style="list-style-type: none"> Climate action Circular economy Environmental innovation Partnerships
	<ul style="list-style-type: none"> Ensure sustainable consumption and production patterns (12) Environmentally sound management of chemicals and all wastes (12.4) Reduce waste generation through prevention, reduction, recycling, and reuse (12.5) 	<ul style="list-style-type: none"> Circular economy Product quality and compliance Responsible sourcing and procurement
	<ul style="list-style-type: none"> Reduce marine pollution (14.1) 	<ul style="list-style-type: none"> Pollution prevention
	<ul style="list-style-type: none"> End all forms of discrimination against women (5.1) Ensure women's full and effective participation and equal opportunities for leadership (5.5) 	<ul style="list-style-type: none"> Diversity, equality, and inclusion
	<ul style="list-style-type: none"> Decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value (8.5) Protect labour rights and promote safe and secure working environments for all workers (8.8) 	<ul style="list-style-type: none"> Occupational health and safety Human capital development Diversity, equality and inclusion Human and labour rights
	<ul style="list-style-type: none"> Reduce corruption and bribery in all their forms (16.5) Promote non-discriminatory laws and policies (16.b) 	<ul style="list-style-type: none"> Ethics and anti-corruption Diversity, equality and inclusion



ENVIRONMENT AND CLIMATE ACTION

With a business model grounded in a mission to mitigate climate change, we are pleased to share that this year's acquisition of C.H. Evensen allows Vow to scale up its pyrolysis-based circular carbon and CO₂ neutral energy solutions. At the same time, Vow recognises the importance of taking responsibility for Vow's own emissions, and have a net zero ambition for 2025.

During the past year, Vow has further increased its efforts to map out and report on the group's own environmental footprint in accordance with the Greenhouse Gas (GHG) Protocol. Vow has expanded Scope 3 reporting with three categories this year including business travel, fuel-and-energy-related activities, and employee commuting. Vow is on track with the objective of full Scope 3 reporting by 2025.

2022 HIGHLIGHTS

- Acquisition of CH Evensen which allows for scale-up of pyrolysis-based circular carbon and CO₂ neutral energy solutions
- Expanded climate accounts with three additional Scope 3 categories
- Initiated climate awareness campaign for employees second year in a row

PRIORITISED SDGS – GREATEST AREA OF IMPACT



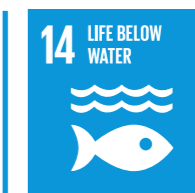
Delivering solutions that convert biomass, organic waste, polymers, and plastics into CO₂ neutral energy



Powering the circular economy with solutions for valorisation of waste and promoting corporate responsibility in the value chain



Enabling industry to reduce the use of fossil fuels, capture CO₂ and lower emissions, as well as taking climate action in Vow's own operations



Preventing pollution with technologies for wastewater purification and waste valorisation onboard cruise ships

CARBON FOOTPRINT ACCOUNTS

Vow started reporting in accordance with the Greenhouse Gas (GHG) protocol last year. The reporting comprises GHG emissions in Scope 1 and Scope 2 as well as Scope 3 emissions under the operational control approach. Vow aims to calculate emissions based on primary data, and in cases where such data are difficult to retrieve, secondary data from recognised sources are used. In 2022, emissions are calculated using activity-based data, except from waste emissions where secondary data are applied. In this year's carbon footprint accounts, we have reported Scope 3 emissions for the following categories: waste, business travels, fuel-and-energy-related activities, and employee commuting. The inclusion of three new Scope 3 categories led to an alteration of the base year from 2020 to 2022.

We conducted a Scope 3 screening process in 2021 and identified 12 material emission categories in Scope 3 including the categories mentioned above. Vow will expand its Scope 3 reporting each year with an objective to reach complete Scope 3 reporting by 2025.

The carbon accounting for Vow resulted in a total of 1125.7 tCO₂e. This is a significant increase from 2021. Our company is expanding with increased activity. This year, we have accounted for newly acquired C.H. Evensen's emissions, included three new scope 3 categories, in addition to continuously working with improving data quality and reporting routines.

The greenhouse gas separated into Scope 1, 2, and 3 had the following distribution:

SCOPE	EMISSION CATEGORY	2022 (tCO ₂ e)	2021 (tCO ₂ e)	
Scope 1	Stationary combustion	Propane	3.2	3.4
		Diesel	44.2	39.7
		LPG	6.4	3.8
	Transportation	Natural gas	9.2	10.5*
		Diesel	107.5	81.7
	Petrol	23.9	41.7	
Total scope 1 emissions		194.4	180.8	
Scope 2	Electricity (location based)	Buildings	32.9	32.3*
		Vehicles	0.003	0.6
Total scope 2 emissions		32.9	32.9	
Scope 3**	Waste	47.4	7.0*	
	Business travels	522.7	Not calculated	
	Fuel-and-energy-related activities	54.3	Not calculated	
	Employee commuting	274.0	Not calculated	
Total scope 3 emissions		898.4	7.0	
Total scope 1 and 2 emissions		227.7	213.7	
Total scope 1, 2 and 3 emissions		1125.7	220.7	

* Updated due to changes in reporting procedures
 ** More categories to be included

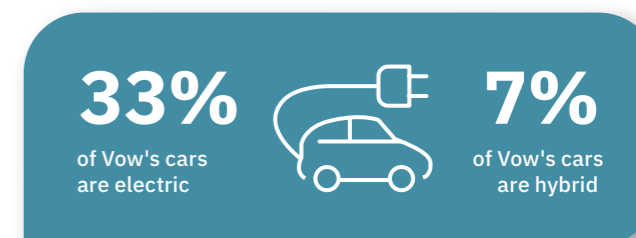
EMISSION INTENSITY CATEGORY	SCOPE	2022	2021
tCO ₂ e per employee	1 and 2	0.9	1.3
	1, 2 and 3	4.5	1.3
tCO ₂ e per net turnover	1 and 2	0.3	0.5
	1, 2 and 3	1.4	0.5

EMISSIONS REDUCTION

Our emission reduction target was set in 2021 and our target objective is to reach net zero in Scope 1 and 2 within 2025. To reach this target Vow will:

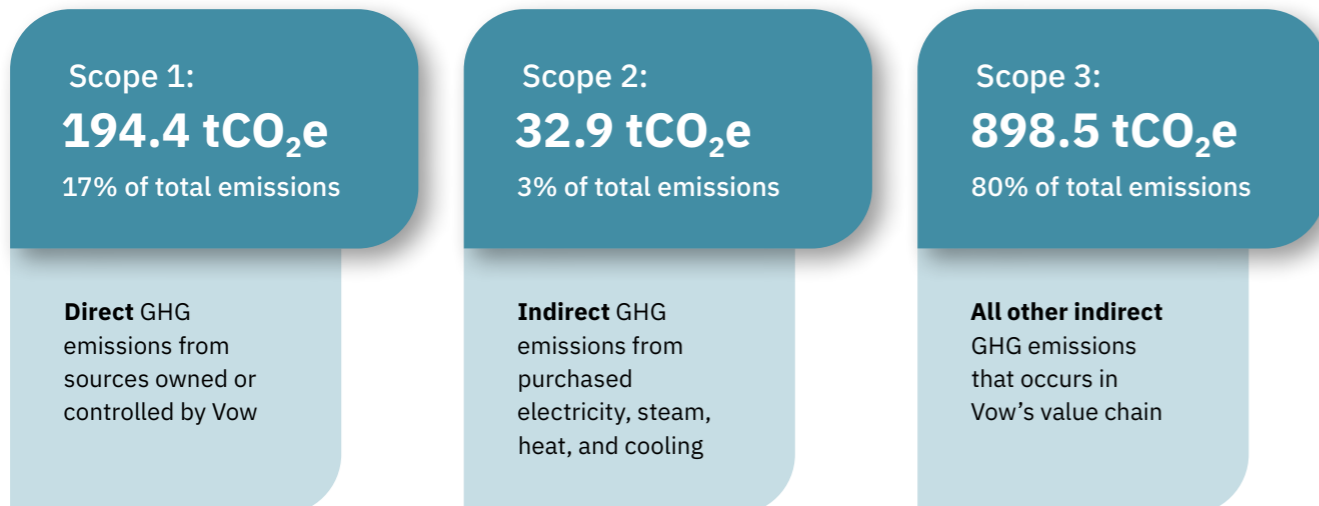
1. Replace fossil-fueled cars with electric cars
2. Replace fossil fuels in R&D testing with renewables
3. Obtain certificates of origin for electricity
4. Purchase carbon offsets to reduce remaining emissions to net zero

To achieve our emission target, the group has started the process of replacing fossil fuels in R&D testing with biofuels and aims to source electric company cars onwards. Vow operated 15 company cars in 2022. Of these five were electric and one hybrid. Moreover, Vow is looking into energy-saving measures and is currently purchasing RECs for a share of its energy consumption in Norway and offsets for a share of its air travels.



CLIMATE RISK AND OPPORTUNITIES

Identifying and managing climate risk is increasingly important for Vow. To act as an enabler for climate change mitigation through various solutions provided by the group, Vow must understand how climate-related risks and opportunities affect Vow. Vow therefore reports on climate risk according to the Task Force on Climate Related Financial Disclosure (TCFD) framework. The framework comprises disclosure recommendations to help companies provide enhanced information to support informed capital allocation. Through this work, Vow improves both internal and external understanding and capabilities that support the green transition,



Emissions in Scope 1 stem from mobile combustion from use of company cars and stationary combustion on R&D sites. In Scope 2, emissions stem from electricity consumption in buildings and electric company vehicles where the consumption total was 665.7 MWh. Vow purchased renewable energy certificates (RECs) for 53 MWh of the electricity consumption in Norway.

This constitutes 8 per cent of Vow's total electricity consumption. The largest share of emissions stem from Scope 3 where business travel and employee commuting make up 70 per cent of all emissions. Waste and fuel-and-energy-related activities amount to 9 per cent of total emissions. Please refer to the table below for further details.

promote transparency, and enhance climate action. As an ongoing process, Vow is continuously working to improve risk management processes, the strategy on climate-related issues, as well as climate risk reporting practices. Vow's TCFD report follows 10 out of 11 disclosure recommendations. The report does currently not disclose a scenario analysis, however we aim to conduct a scenario analysis within the next few years. The full TCFD report is available at www.vowasa.com.

EU TAXONOMY

Vow is currently assessing its eligibility for the company's main revenue-generating activities including wastewater purification, waste incineration, pyrolysis and aftersales, and we will publish a separate EU Taxonomy statement. For the eligible activities identified, the statement will describe the proportion of Vow's turnover, capital expenditure and operating expenditure associated with Taxonomy-defined sustainable economic activities. We are following the development of the EU Taxonomy and the environmental objectives and economic activities yet to be published to keep track on Taxonomy-eligible activities to prepare for alignment. Vow is already committed to complying with the minimum safeguards; OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the International Bill of Human Rights.

SUSTAINABLE SOLUTIONS

Vow is contributing to several of the UN sustainable development goals with its solutions. Vow's mission to maximise environmental sustainability impact has resulted in solutions for decarbonisation to mitigate climate change, waste valorisation and recycling to enhance circular economy and clean ship solutions to prevent pollution. In 2022, C.H. Evensen joined the group and allowed Vow to scale up its pyrolysis-based circular carbon and CO₂ neutral energy solutions.

SOLUTIONS FOR DECARBONISATION THROUGH WASTE VALORISATION

Vow provides technologies that can help industries decarbonise and reduce their CO₂ emissions from fossil sources. Feedstock processed by Vow pyrolysis technology will produce the two main products, biochar, and pyrolysis gas, in addition to pyrolysis oils. Pyrolysis is a process of heating organic materials, in the absence of oxygen to break them down into smaller molecules. Biochar can be further valorised in several applications'



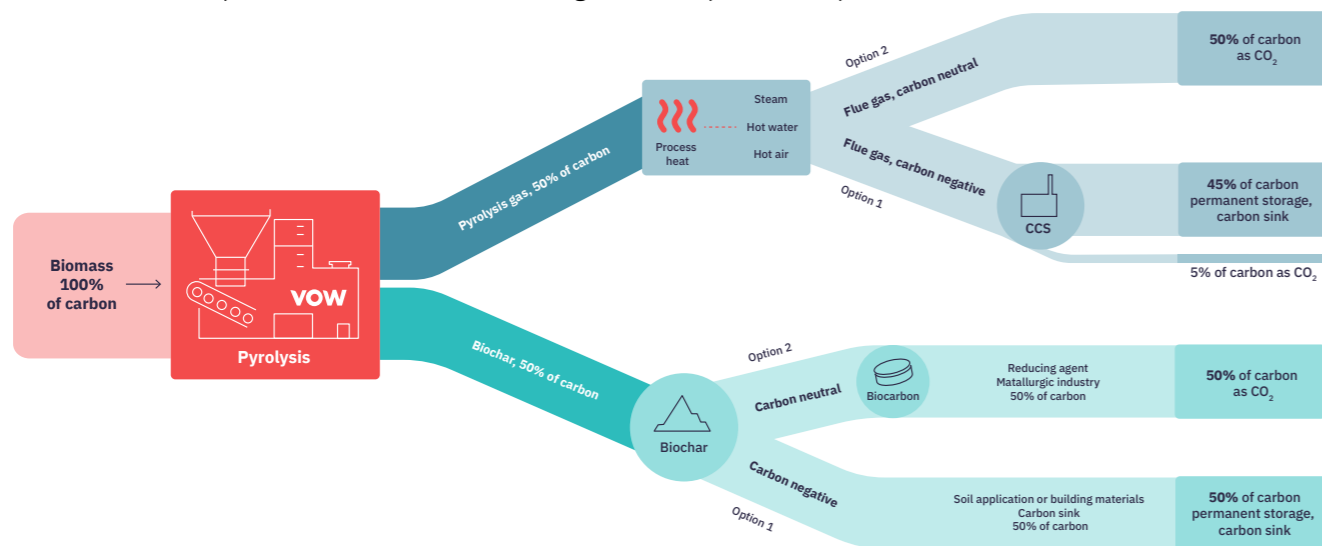
Our objective is to reach net zero in Scope 1 and 2 within 2025. Replacing fossil cars with electric vehicles (EV) is one of several elements in our plan. By end 2022, one third of our cars were EVs.

contributing to long-time carbon storage (pyrogenic carbon capture and storage) or fossil carbon substitution. The pyrolysis gas can be converted to renewable heat or replace natural gas.

FOSSIL CARBON SUBSTITUTION

Many carbon-intensive industries are looking for ways to decarbonise and replace their fossil carbon with biogenic

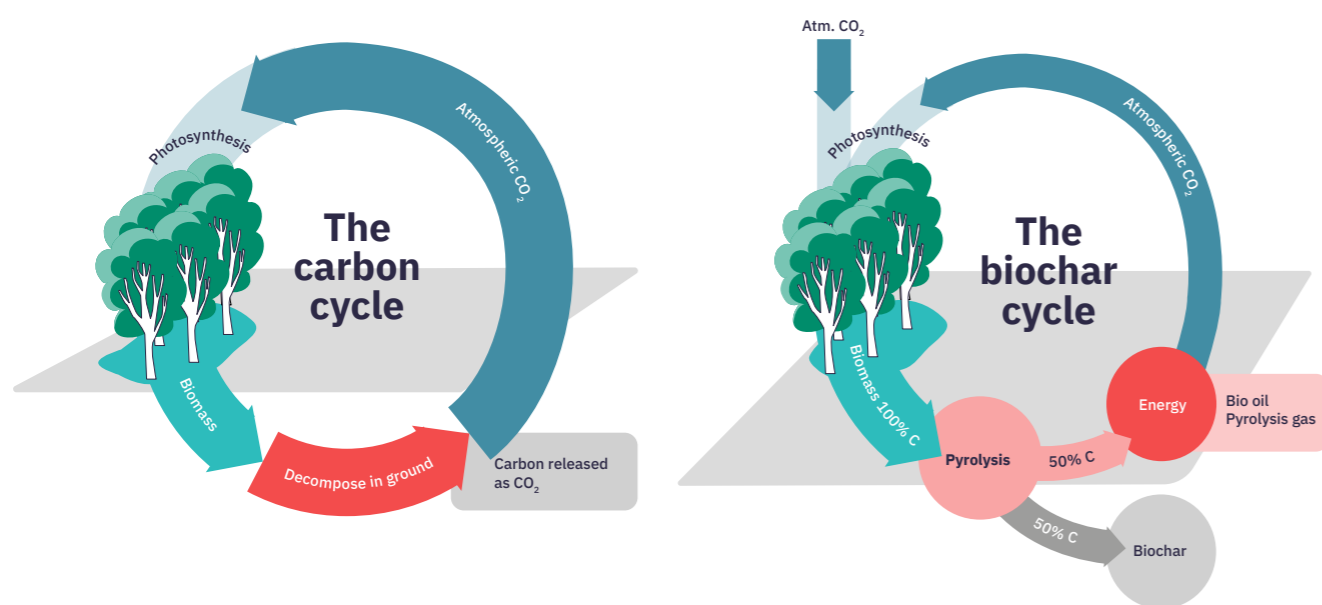
carbon. An example is the metallurgical industry in Europe, which is chasing net zero by 2050. The industry uses fossil carbon as a reducing agent in its process, and in 2021, the metallurgical coal consumption in the EU was about 56 million tonnes. The biochar produced in the Vow pyrolysis process can be further processed into a biocarbon that can be used for this purpose, replacing fossil coal, and giving the industry a carbon neutral option for its process.



PYROGENIC CARBON CAPTURE AND STORAGE (PYCCS) AND SOIL ENHANCER

Trees and plants have the capacity to capture CO₂ from the air and store it through the process of photosynthesis. Therefore, biomasses contain a large fraction of carbon. When biomass decays or is burned

for energy production, almost all carbon is converted into CO₂ and emitted to the atmosphere again, as a part of what we call the traditional carbon circle. Decay or burning of biomass is considered carbon neutral and will not further increase the concentration of CO₂ in the atmosphere nor will it reduce it.



Pyrogenic carbon capture and storage, by contrast, is considered a carbon negative technology, contributing to reduce the CO₂ concentration in the atmosphere. By applying Vow pyrolysis technology, around half of the carbon in the biomass will be captured in the produced biochar, taking the carbon out of the traditional carbon circle. The carbon rich biochar can then be stored safely for decades if incorporated in soil and acts as a soil enhancer by improving soil structure, promoting microbial activity, reducing fertilizer requirements and improving crop yields.

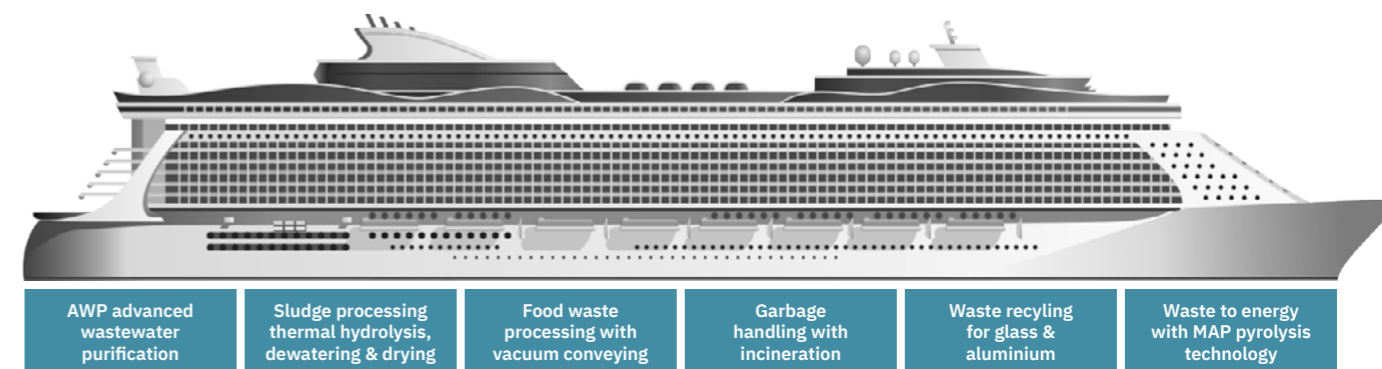
SOLUTIONS FOR CLEANER OCEANS

Vow provides advanced technologies for processing waste and purifying water for cruise ships and aquaculture. These systems are designed to meet the highest international discharge standards, as well as regional and possible future standards that may become applicable. We take pride in providing tailor-made solutions that allows operators to improve and succeed with their ongoing initiatives for sustainable operations.

Vow provides retrofit solutions for ships in operation, either with the intention to upgrade the treatment capabilities of the existing system(s) or by replacing them with new and improved systems. For newbuilds, total waste management systems that take care of all waste streams from the hotel operation are offered. Residuals from the processes in such systems can be recovered, recycled, or reused.

With our pyrolysis systems installed onboard, a further improvement can be achieved where latent energy from the waste can be recovered and used onboard. Carbon is captured in the sable form of biochar, which represents a valuable product that can be used in several applications onshore.

Through the lifetime of the systems, Vow offers tailor-made service and maintenance to ensure reliability, efficiency, and longevity of the systems. Spare parts and chemicals are supplied to both new and existing installations. The installations are designed for optimal process performance with limited use of chemicals.



ENVIRONMENTAL INNOVATION

Innovation is vital for Vow's business development and delivery on the mission to maximise environmental substantiality impact. It is therefore important to have a solid R&D department which can drive innovation in the organisation. The work of the R&D department has contributed to 35 proprietary technologies, 25 proprietary technology applications and 117 patents within 17 patent families.

	2022	2021
R&D investments (NOK million)	95.1	79.8
In relation to revenue* (per cent)	12.1%	17.6%

*R&D investments as percentage of revenue



PEOPLE AND SOCIETY

Vow's employees are the group's most important resource. It is therefore central that the principles of diversity, equality and inclusion are embedded in Vow practice and culture, and that the development of the employee's knowledge and skills are well facilitated. All activities that Vow conducts shall be carried out without harm to people, the external environment, or materials. Vow is moreover committed to respecting fundamental human and labour rights, both in own operations and throughout the value chain.

2022 HIGHLIGHTS

- Female representation at Vow was raised from 18 to 20 per cent
- Recruitment agencies were targeted to ensure diverse recruitment
- Vow HSE Policy was formalised
- Target of zero incidents of serious injuries was met

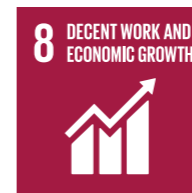
DIVERSITY, EQUALITY AND INCLUSION

A diversified workforce is important for Vow as it promotes new perspectives and innovation which enforces Vow's decision making, resilience, and path towards maximising environmental sustainability impact. Ensuring equality and inclusion are also fundamental principles. Vow defines equality as equal opportunities for all regardless of gender, age, ethnicity, religion, belief, disability, pregnancy, parental leave, care responsibility, sexual orientation, gender identity, gender expression, or combinations of these. Vow's sustainability work related to diversity, equality and inclusion is led by the HR-department.

PRIORITISED SDG – GREATEST AREA OF IMPACT



Diversity and equal opportunities among employees and management



Occupational health and safety for employees and throughout the value chain

Positive and inclusive working environment with a skilled and growing workforce

Respecting fundamental human and labour rights, both in Vow's own business and throughout the value chain.

Employment 2022

	Women	Men	Total
Permanent	49	195	244
Temporary	2	4	5
Full time	49	193	242
Part time	0	2	2
New hires (permanent)	23	50	73
Turnover	4	16	20
Parental leave	3	5	8

Female ratio per country

	Women	Men	Total
Norway	33 (20%)	132 (80%)	165
France	11 (19%)	46 (81%)	57
US	4 (31%)	9 (69%)	13
Poland	1 (8%)	11 (92%)	12
Italy	0	4 (100%)	4
Total	50 (20%)	201 (80%)	251

Employees by age group 2022

	Women	Men	Total
Below 30	5 (14%)	30 (86%)	35
30-50	36 (24%)	111 (76%)	147
Above 50	9 (13%)	60 (87%)	69
Total	50 (20%)	201 (80%)	251

Employees by employee category 2022

	Women	Men	Total
C-level	0 (0%)	13 (100%)	13
Directors	3 (20%)	12 (80%)	15
Managers	2 (8%)	23 (92%)	25
Leaders	6 (29%)	15 (71%)	21
Staff	37 (21%)	140 (79%)	177
Total	50 (20%)	201 (80%)	251

In 2023 Vow has made a reorganisation, creating an Executive Management Board. In this top C-level management function there is 40% females

Gender equality

A key diversity priority for Vow is gender equality. Vow has therefore set a target of at least 25 per cent women in leadership positions by 2025 and 25 per cent female employees across the group. In 2022 women held 20 per cent of the positions in Vow. Of the management positions, women accounted for 15 percent. The management positions include the following employment categories: C-level, director, leader and manager. A manager is an employee with leadership responsibility whereas a leader has responsibility for a function but not employee responsibility.

Vow will reach the gender equality targets through:

- employer branding towards women
- promotion of gender equality in recruitment processes
- development of female talents already employed in the company
- usage of a diversity and inclusion guideline for recruitment agencies

In 2022, Vow validated and took action to improve its internal recruitment processes to ensure a diverse way of recruitment. The goal is to mitigate potential bias in the screening and interview process. Recruitment agencies play an important role in Vow's journey to enable a robust and diverse workforce. Vow has therefore developed principles that lay out the company's expectations towards inclusive hiring processes. With these actions,

Vow seeks to not only increase the proportion of women in management positions, but also increase the group's total proportion of women and close the pay gap between genders.

Pay equality

	2022	2021
Average salary for women as a percentage of average salary for all employees	93%	89%
Average salary for men as a percentage of average salary for all employees	105%	102%

Nationalities among employees

	2022	2021
Number of nationalities among employees	28	12

Non-discrimination

	2022	2021
Detected incidents of discrimination	0	0

There have been no detected incidents of discrimination in 2022, nor in 2021. Prevention of discrimination is an important part of the diversity and equality work. The group seeks to prevent all types of discrimination and harassment in the workplace. Employees can and are encouraged to report incidents of discrimination and other concerns through the whistleblowing channel for employees. Employees raising genuine concerns relating to malpractice or impropriety through whistleblowing are acting responsibly and appropriately.

Board of directors

The Vow ASA board of directors has a 50 per cent gender balance. The constitution of the board balances specific industry experience with a combination of financial and legal background, management experience, industrial experience, and environmental experience.

Board of directors:

Women	2 (50%)
Men	2 (50%)
Over 50 years old	4 (100%)

HUMAN CAPITAL DEVELOPMENT

With a growing HR department, efforts are carried on to both strengthen diversity performance and human



In March 2022, C. H. Evensen became part of Vow. Shortly thereafter, an extended Vow management team and members of the board came to learn more about the company and make plans for further growth as one team.

capital development. Vow focuses on professionalising the internal processes such as recruitment and internal employee development.

Several initiatives are considered to contribute to human capital development such as a leadership development program with an external partner and a focus on strengthening the leader's role. Vow has professionalised an on-the-job onboarding training, where employees are onboarded by colleagues through a structured onboarding week. On-the-job training is considered an important topic of HR management.

Key figures

	2022	2021
Percentage of employees that have completed regular performance and development review	72%	50%
Average hours of training that employees have undertaken	22	27

Sustainability competence

Vow's sustainability personnel has attended UN Global Compact's Climate Ambition Accelerator to prepare the group for setting a science-based emissions reduction target in accordance with the Science Based Targets initiative (SBTi). In addition, the sustainability personnel conducted GRI training in 2022/2023.

Vow acknowledges that sustainability competence is important for all levels in the organisation, including the board. One of the board directors who is part of the board's sustainability committee has completed a master programme about sustainable business strategy in 2022. The executive management has received the same training as other employees. Vow has rolled out anti-corruption training to all employees to increase awareness of and knowledge about corruption. Vow is also planning to roll-out sustainability training to all employees that includes



Guest visit in France. Great discussions and much to learn!

basic sustainability knowledge and training on the group's policies and guidelines.

In September 2022, Vow attended a climate challenge through the Ducky platform for the second year. The two-week challenge encouraged employees to reduce their CO₂ emissions through everyday activities. The main objectives were to increase climate awareness and knowledge among employees, as well as strengthening the culture and passion for climate action.

Collaboration with academia

Vow values collaboration and partnerships with academia and students. The new generation is encouraged to do research on the vast opportunities linked to Vow's technical solutions. Vow has partnered with students on several levels across different universities in Norway, including four master students and one industrial PhD student.

OCCUPATIONAL HEALTH AND SAFETY

Vow has a vision of zero harm to people. A key contributor to occupational health and safety is a strong corporate culture. Responsible operations require vigilance and the exercise of good judgement on the part of both management and employees. Vow strives to promote an open corporate culture that fosters interaction and reflects its core values.

In 2022, two new employees joined the HSEQ department, increasing Vow's efforts to ensure good health and safety for employees. Moreover, the Vow HSE policy was also formalised. The policy sets forth overarching guidelines for how HSE should be managed in Vow. It is reviewed and approved by the executive management team and the board of directors and distributed to all employees through intranet. The full HSE policy is available at www.vowasa.com.

Vow implemented an internal health, safety and environment system in 2022. The system was implemented both due to recognised risk management, guidelines, and law requirements. Both Vow employees and external workers working on Vow's sites are covered by the new occupational health and safety system. The HSE system includes a deviation reporting system. Frequent reporting reflects a culture that are committed to safety and are an important tool to prevent injuries and accidents. Vow is therefore continuously working to increase the reporting rate.

One focus area is to develop and implement joint understanding of HSE across Vow subsidiaries. Vow therefore introduced the Vow safety standard in 2022. The standard entails safety rules for various forms of work that Vow employees are involved in, e.g., hot work, lifting/loading operations, hazardous energy, fire and explosion hazard, confined space, hazardous substances, and provides mitigating actions to reduce

health and safety risks on site and in our projects. In 2023, the HSEQ department will, as part of their routine work, visit all commission and test sites to ensure that everyone is following the safety standard and using the deviation system. All locations have a representative responsible for HSE.

Vow implemented a training platform in 2022, where employees conduct internal HSE training related to the employees' scope of work. The training covers the internal safety requirements in Vow as well as Vow's customers safety requirements.

As required by Norwegian law, Vow has a working environment committee where the employer, employees, and safety representatives participate. The safety representatives complete mandatory occupational health and safety training. Vow has occupational health and safety services in Norway through an external service provider.

There were zero high-consequence work-related injuries in 2022. Unfortunately, one lost time incident (LTI) occurred due to manual handling. As a consequence, Vow assessed its routines and implemented necessary measures to prevent future incidents. Moreover, five high-potential work-related incidents (HiPo) were identified, without any injuries. Vow is continuously working to improve reporting routines and has an ongoing campaign to increase the reporting frequency (including positive observation, unsafe situations that can lead to a HiPo etc.). During 2022, the focus has been to establish the HSE role and implement policy, plans, and standards in all levels of the organisation. This process has taken longer time than originally planned and will continue in 2023. Moreover, our focus for 2023 will be on reporting and continually develop the HSE system.

Key figures

	2022	2021
Fatalities as results of work-related injury	0	0
High-consequence work-related injuries (more than 6 months)	0	0
Recordable work-related injuries/LTI LTIR	1 (7 per mill. work hours)	2 (7 per mill. work hour)
Hours worked	379 000	280 000
High-potential work-related incidents identified (HiPo)	5	5
Close calls identified	31	124
Sick leave	2.3%	1.4%

HUMAN AND LABOUR RIGHTS

Vow is committed to respecting fundamental human and labour rights as described in international human and labour rights conventions. This applies to both Vow's own operations and throughout the value chain. Vow has therefore incorporated the topics concerning human and labour rights into its code of conduct for suppliers and employees.

In the supplier code of conduct, suppliers are expected to comply with a set of expectations relating to the topics anti-discrimination, fair treatment, prevention of involuntary labour and human trafficking, prevention of underage labour, juvenile employees, working hours, wages and benefits, and freedom of association. Overall, suppliers must assure the human rights of employees and treat them with dignity and respect as understood by the international community.

Vow has integrated risk assessment of human and labour rights in its supplier audits. Vow is however continuously working to improve its human and labour rights due diligence, and in 2022, more criteria were added to address these topics. For more information about supplier audits, see page 51.

During the first half of 2023, Vow will publish a statement on Vow's due diligence procedures according to the requirements of the Norwegian Transparency Act.

Key figures

	2022	2021
Employees covered by collective bargaining agreements	18%	14%
Number and percentage of employees that the employee code of conduct is communicated to	251 (100%)	169 (100%)
Detected negative impacts on human and labour rights	0	0

Commitments and frameworks

- UN Global Compact principles
- OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights
- The International Bill of Human Rights
- International Labour Organisation (ILO) Core Conventions



Vow subsidiary Scanship has a unique position as preferred partner for leading cruise shipyards and operators. Its advanced technology and solutions for cleaner oceans are renowned for its reliability.

SUSTAINABILITY GOVERNANCE

Vow recognises that successful management of material sustainability topics requires a tailored governance structure with clear division of responsibility, and puts therefore special emphasis on both developing good processes and monitoring their eligibility.

To advance Vow's solutions for maximising environmental sustainability impact, Vow continues to strengthen and develop its partnerships. Vow is committed to be responsible and to ensure high ethical standards throughout its practices, including sourcing and procurement practices and product quality and compliance.

2022 HIGHLIGHTS

- ESG criteria targeting supplier audits were reviewed and improved
- Anti-corruption program and training for all employees commenced
- New strategic partnerships to further maximise environmental sustainability was launched

PRIORITISED SDG – GREATEST AREA OF IMPACT



Taking responsibility for social and environmental impact in sourcing and procurement



Complying with laws and regulations, behaving with integrity and being transparent in communications

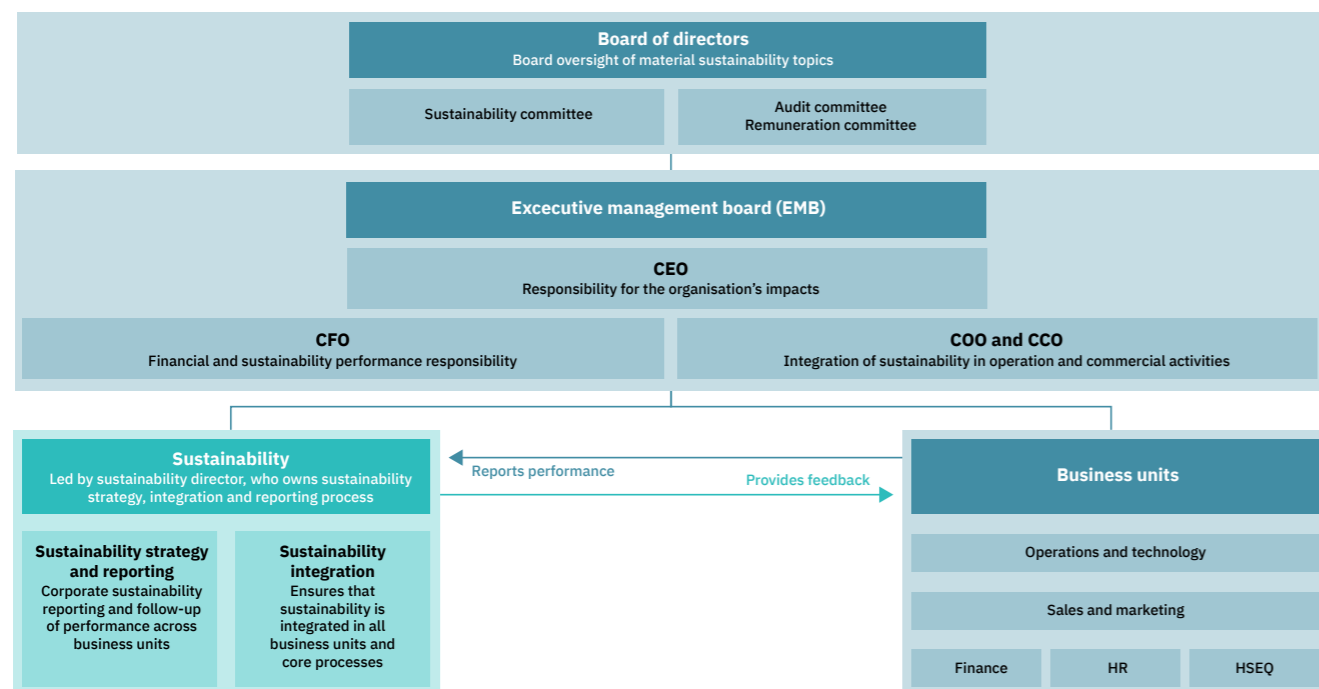
SUSTAINABILITY GOVERNANCE IN VOW

The highest governance body in Vow with responsibility for sustainability is the board of directors. The board's main responsibilities are to give the sustainability work direction, including final approval of strategy, and overseeing and providing feedback on progress.

The highest management level in Vow responsible for sustainability is the executive management team. The executive management team consists of the chief financial officer (CFO), chief operating officer (COO), chief commercial officer (CCO), and is led by the chief executive officer (CEO). The CFO is responsible for financial and sustainability performance for the whole group. The sustainability director, who reports to the CFO, is responsible for sustainability strategy and reporting, as well as overseeing sustainability integration processes. The different business units report on their progress to the sustainability director and are provided with feedback on their sustainability performance. The COO and the CCO is responsible for integrating the adopted sustainability strategy and measures in operational and commercial activities/business units.

An important part of the board of directors' sustainability work is done by the sustainability committee, which was established in 2021 to strengthen board oversight and integration on sustainability matters. The sustainability committee consists of two board directors who either hold a professional qualification or experience within the sustainability field which contributes to informed decisions. In most cases, sustainability matters reported from the CFO, CEO, or sustainability director are reviewed in the sustainability committee before they are addressed by the board. Sustainability is on the agenda for board meetings about three to four times during the course of a year, often in combination with other topics such as group strategy, financial planning, annual report and sustainability report.

Executive pay is not linked to ESG performance. Vow will consider implementing ESG-linked executive pay in its work to further integrate sustainability in all business units and core processes.



RESPONSIBLE SOURCING AND PROCUREMENT

Over the years, Vow subsidiaries have installed more than 4 450 systems. Of these, 290 systems are installed on 130 cruise ships, 60 systems within landbased, waste and biomass valorisation, 100 systems with food processing and 4 000+ CH Evensen systems. Vow subsidiaries mainly have customers in the private sector.

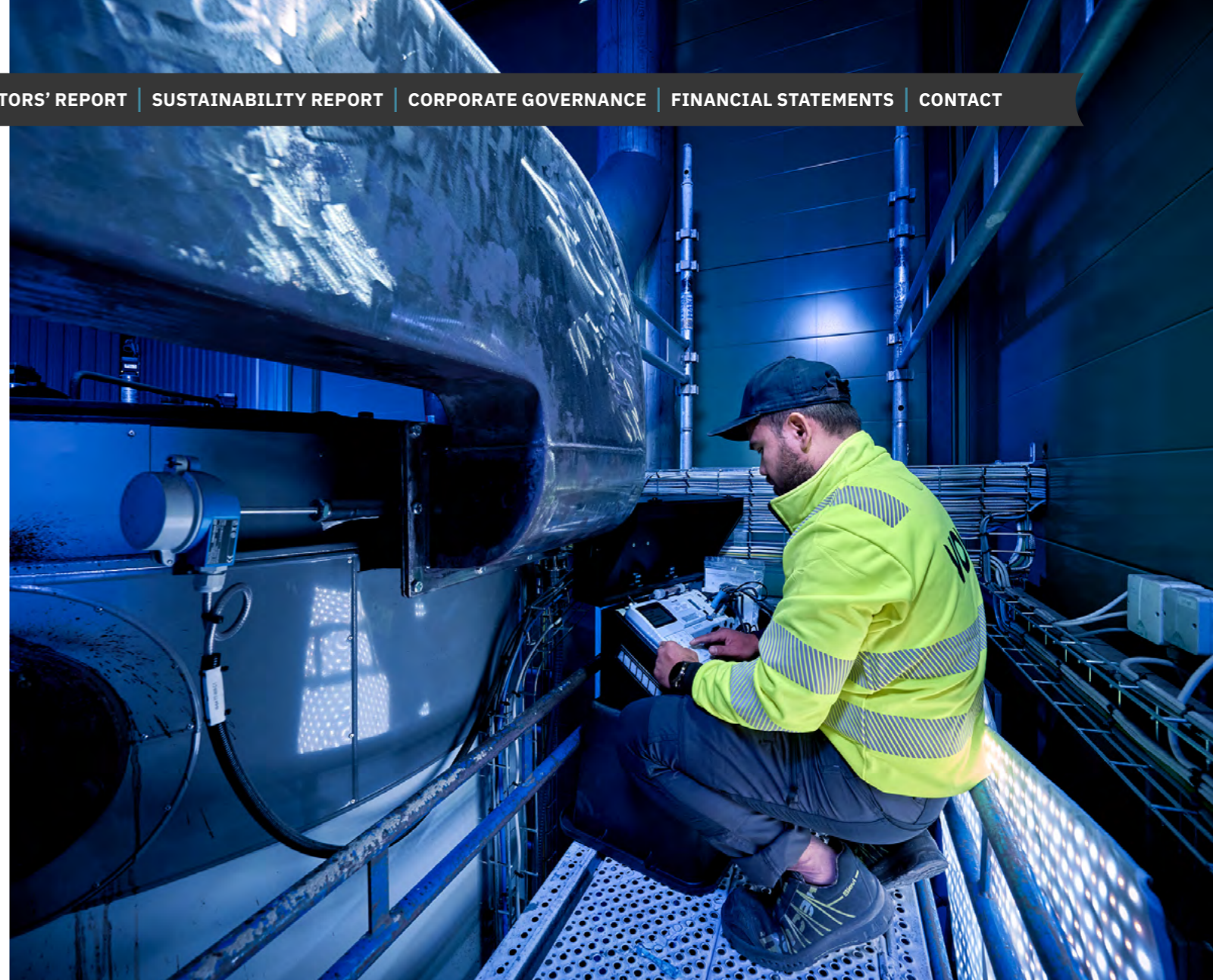
Vow aim to meet the customers unique needs, and from the initial contact with the customer to the hand-over of a complete solution, multiple activities and services are required. Each project consist of seven main phases, sales to service, shown by the figure below.



The phases of a project are typically carried out by Vow subsidiaries themselves, apart from transport which is outsourced for all subsidiaries, and production which is outsourced for Scanship and ETIA. Assembly is, by contrast, handled internally for all subsidiaries, both in the subsidiaries' own facilities and on-site in relation to installation. The outsourced production-sites are located in Norway, Sweden, and Poland for Scanship, and France

for ETIA. Vow conducts regular visits to the production sites to ensure product quality and safe working conditions.

The geographical location for Vow's main suppliers are: Norway, Poland, Denmark, Sweden, Germany, Italy, Lithuania, United Kingdom, France, Switzerland, Netherlands, China, and the United States.



As a means to ensure a responsible supply chain, Vow asks its suppliers to agree and comply with Vow's supplier code of conduct which specifies the minimum standards expected of all suppliers of Vow. Vow also encourages suppliers to apply these minimum standards to their subcontractors and sub-suppliers. Furthermore, Vow encourages suppliers to strive to live up to both international and industry best practices.

Vow is working to implement the practice of attaching the code of conduct for suppliers to all new supplier contracts and making sure that it is referenced to in all purchase orders. Main areas of the supplier code of conduct are compliance with laws, human and labour rights, health and safety, environment, anti-corruption and ethics, as well as management commitment. The code cover all ten principles of the UN Global Compact and is approved by the executive management team and the board of directors.

Vow conducts supplier audits of new main suppliers and of existing suppliers. Audits are conducted on-site at the suppliers. At these audits, compliance with elements of the code of conduct for suppliers is reviewed. The ESG elements included in supplier audits was revised in 2022 and contains the following topics: the suppliers' own code of conduct, human and labour rights, environment, anti-corruption and reporting mechanisms. Vow will continuously review these elements to ensure that they uphold Vow's ambitions to take responsibility in the value chain.

After an audit, the supplier is given an ESG risk score which is compiled of risk scores for each ESG element. Vow strives to promote collaboration, dialogue and good relationships with its suppliers and consider them long-term partners. Therefore, if a supplier receives a lower score than preferred, Vow provides guidance on how to improve.



In 2022, three supplier audits were conducted, relative to the target of five. With the acquisition of C.H. Evensen, we see the need to review Vow's frequency of supplier audits. This review will be conducted in 2023. See key figures relating to supplier audits in the table below.

Key figures	2022	2021
Number of supplier reviews conducted	3	3
Number of suppliers assessed for environmental impacts	3	3
Number of suppliers assessed for social impacts	3	3
Detected violations of Vow's supplier code of conduct	0	0

ETHICS AND ANTI-CORRUPTION

Ethics are important in all Vow activities and are represented by the value 'responsible'. Vow believes that business gained, and long-term customer relationships are built, by providing the best technical solutions at competitive prices as well as by demonstrating honesty and integrity in all interactions. Vow opposes corruption in all forms and recognises its responsibility as an international business player to continuously work on anti-corruption.

Although Vow's risk level for corruption is considered low, Vow has a responsibility to prepare employees for challenging situations and equip them to make good decisions. This includes making legal and ethical boundaries known, having relevant procedures in place,

and routines for follow-up, and reacting to violations. It also includes that all managers lead by example and promote a culture where employees feel comfortable to seek advice if they are in challenging situations.

Vow has established ethical guidelines for both its employees and suppliers, including its business partners. The guidelines are all available on the group's web site and is communicated to both employees and suppliers on a regular basis.

The code of conduct for employees has been communicated to all Vow employees through intranet and was attached to all new employee contracts in 2022. Main areas of the employee code of conduct are human and labour rights, environment, health and safety, anti-

corruption, money laundering, responsible sourcing, responsible marketing practices, whistleblowing, as well as legislation and regulation. In 2022, Vow also established an anti-corruption program to further address anti-corruption. In relation to the release of the program, an anti-corruption training was rolled out to all Vow employees, with the intention that the employees will learn more about corruption and its forms, and guidelines on how to handle different situations. The target is that 100 per cent of employees complete the training during the first half of 2023.

The employee and supplier code of conduct, as well as the anti-corruption program, are all reviewed and approved by the board of directors and the executive management team. They are available at www.vowasa.com.

WHISTLEBLOWING

Vow has both an internal whistleblowing channel and an external grievance mechanism. The publicly available grievance mechanism was established for external stakeholders who have feedback or concerns related to our business activities or potential non-compliance with our supplier code of conduct. For employees, Vow has a whistleblowing channel where employees are encouraged to report incidents of discrimination, malpractice, impropriety, and other concerns or potential non-compliance with our employee code of conduct.

The sustainability director receives concerns raised through Vow's grievance mechanism, whereas concerns raised by employees in Vow's whistleblowing channel is sent to the HR director. The board of directors are notified by members of the executive management team, to which both the sustainability director and the HR director report.

Key figures

	2022	2021
Number and percentage of employees that the organisation's anti-corruption policies have been communicated to	251 (100%)	169 (100%)
Number and percentage of employees that have received training on anti-corruption	251 (100%)*	0
Confirmed incidents of corruption	0	0
Number of grievances	0	0

* Training is initiated for all employees and will be completed in 2023.

PRODUCT QUALITY AND COMPLIANCE

Vow is continuing to implement a product lifecycle management (PLM) system throughout the group, a system to standardise and manage key information for our numerous products and product groups. We expect that standardisation and streamlining give significant efficiency gains and make our operations more robust and able to scale up production.

The Vow subsidiaries, Scanship and Ascodero, hold an ISO 9001 certified management system since 2016. Looking ahead, Vow will implement key elements of this standard in the other subsidiaries of the group as well.

Scanship's waste and wastewater handling systems are built to the IMO-MARPOL pollution regulations and certified after the EU Marine Equipment Directive (MED). Moreover,

Scanship was one of the first suppliers of advanced wastewater plants (AWP) to obtain the ultra-strict Alaska-discharge approval back in 2003, and first to obtain IMO MARPOL 227(64) sec. 4.2 approval for extensive nitrogen removal in Special Areas/Baltic Sea in 2013.

Scanship systems are built to IMO MEPC 269(68) and EU regulation 1257/2013 working against the use of hazardous materials and promoting safe and environmentally sound ship recycling.

Vow's deliveries to shoreside industries typically follow the legislation of Machinery Directive 2006/42/EC in the EU. In other parts of the world, we seek compliance with comparable applicable regulations. As we grow, we sharpen our focus on HSE and quality management.

Commitments and frameworks

- ISO 9001
- MO-MARPOL pollution regulations
- EU Marine Equipment Directive (MED)
- EU Machinery Directive
- Standards of Underwriters Laboratories Inc. (UL)
- IMO Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC)
- Regulation (EU) No. 1257/2013 of the European Parliament and of the Council of 20 November 2013 on Ship Recycling (EU SRR)

PARTNERSHIPS

Partnerships play an important role in reaching Vow's mission to maximise environmental sustainability impact. Vow takes part in a variety of partnerships and memberships that differ in form, content, purpose, and composition of actors. One type is strategic partnerships where Vow joins forces with other businesses to develop, build knowledge and expand solutions to reach common goals. Other partnerships/memberships act as platforms for sharing of knowledge, perspectives, and experiences, or promotes common interests. For instance, through its partnership with the independent non-profit organisation Bellona, Vow attended the Bellona pavilion at COP27 in Sharm El-Sheikh in November 2022. Here, Vow focused on how valorisation of waste through pyrolysis contributes to climate change mitigation and enables a fossil free future.

In the tables below, Vow's strategic partnerships, memberships and commitments are listed.

STRATEGIC PARTNERSHIPS

European Tyre Enterprise Ltd. (ETEL)	Continued partnership through memorandum of understanding with ETEL to develop a modularised and scalable industrial solution and value chain to turn end-of-life tyres into valuable raw material and renewable energy.
Repsol	Strategic partnership agreement between Vow subsidiary Etia and Repsol to explore multiple applications and solutions to produce clean and renewable energy for CO ₂ emission reduction. Partnership has materialised with the construction of a pilot plant using Etia pyrolysis technology. ETIA Pyrolysis technology is also part of a Horizon Europe programme, aimed at qualifying plastic waste as a circular carbon feedstock for industry. The project, which is now officially confirmed and launched, is headed by Repsol.
GRTgaz	Vow Subsidiary ETIA and GRTgaz of France, Europe's second largest gas distributor, has started production of a demo plant built to confirm that CO ₂ neutral pyrolysis gas can replace fossil gas in the European gas grid.
SAS Improve	In partnership with SAS IMPROVE, a French cutting-edge R&D platform dedicated to developing technological solutions for the farm to fork valorisation of future proteins, Vow French subsidiary ETIA has developed a new process for the treatment of vegetable proteins. This partnership materialised with FlavaPulse, a food ingredient producer processing yellow peas in Bulgaria, who ordered Safesteril ETIA Food safety technology.
Imtech Steri	Safesteril by Vow and Imtech Steri's Biosteam are partners to offer a full range of ingredient sterilisation solutions and services. Both brands are pioneers within solutions of steam sterilisation and complement each other for both similar and different sterilisation requirements.

MEMBERSHIPS AND COMMITMENTS

Asta	astaspice.org
ATEE	atee.fr
Bellona	bellona.org
British Norwegian Chamber of Commerce	bncc.no
European Biochar Industry Consortium	biochar-industry.com
IAR	iar-pole.com
International Biochar Initiative	biochar-international.org
Klima- og energinettverket i Vestfold og Telemark	vtfk.no/meny/tjenester/klima/klima--og-energinettverk
Klimapartnere Vestfold og Telemark	klimapartnere.no/region/vestfold-og-telemark
Nordic Galvanizers	nordicgalvanizers.com/
Norwegian-American Chamber of Commerce, Florida	naccflorida.org
Norwegian Biochar Network	biokull.info
Norwegian Center of Circular Economy	ncce.no/en
Orgalim	orgalim.eu
Sustainability Hub Norway	sustainabilityhub.no
Swedish American Chamber of Commerce	saccflorida.org
Swedish Suppliers of Heat Treatment Equipment	shte.se
Team2	team2.fr
UN Global Compact	unglobalcompact.org
Women's International Shipping & Trading Association	wistinternational.com/



CORPORATE GOVERNANCE

Vow aims to maintain a high standard of corporate governance. Good corporate governance strengthens the confidence in the company and contributes to long-term value creation by regulating the division of roles and responsibilities between shareholders, the board of directors and executive management more comprehensively than is required by legislation.

Corporate governance in Vow is based on the following main principles:

- All shareholders shall be treated equally
- Vow shall maintain an open, relevant, and reliable communication with its stakeholders, including shareholders, governmental bodies, and the public, about the company's activities
- Vow's board of directors shall be autonomous and independent of the company's management
- The company emphasises independence and integrity in all matters between the company and members of the board, management, and shareholders
- Vow shall have a clear division of roles and responsibilities between shareholders, the board and management

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Compliance, objective and regulations

The board of directors (the board) of Vow ASA (the company) has the overall responsibility for ensuring that the company has sound corporate governance. The board has prepared a corporate governance policy document addressing the framework of guidelines and principles regulating the interaction between the shareholders, the board, and the chief executive officer (the CEO).

The policy is based on the Norwegian Code of Practice (the code) for Corporate Governance issued by the Norwegian Corporate Governance Board. The objective of the code is that companies listed on regulated markets in Norway will practice corporate governance that regulates the division of roles between shareholders, the board of directors and executive management more

comprehensively than what is required by legislation.

The corporate governance policy in Vow shall establish a basis for good corporate governance, profitability, and long-term value creation for the shareholders of the company. The manner in which the company is managed is vital to the development of the company's value over time.

The policy contains measures that are, and will be, implemented to ensure effective management and control over the company's activities. The primary objective is to have systems for communication, monitoring and allocation of responsibility, as well as appropriate incentives, which contribute to increasing the company's financial results, long-term success and returns to shareholders on their investments in the company. The company aims to have good control and governance procedures to ensure equal treatment of all shareholders, thereby providing a foundation for trust.

The development of, and improvements of, this policy is an on-going and important process that the board will focus on. The board and executive management perform an annual assessment of its principles for corporate governance.

Vow is a Norwegian public limited company. The company is listed on Oslo Børs (Oslo stock exchange) and is subject to Norwegian laws, including the section 3-3b of the Norwegian Accounting Act, which requires the company to disclose certain corporate governance-related information annually. In addition, Oslo Børs' continuing obligations require listed companies to publish an annual statement of its principles and practices with respect to corporate governance, covering every section of the latest version

of the code. The continuing obligations also sets out an overview of information required to be included in the statement. The Norwegian Accounting Act is available at www.lovddata.no (in Norwegian), while the continuing obligations are available at <https://www.euronext.com/en/markets/oslo>.

Vow complies with the current code of practice, latest revised on 14 October 2021. The code is available at www.nues.no. Application of the code is based on the 'comply or explain' principle, which means that the company must provide an explanation if it has chosen an alternative approach to specific recommendations.

Vow provides an annual statement of its adherence to corporate governance in its annual report, and this information is also available from www.vowasa.com.

This statement describes how Vow has conducted itself with respect to the code in 2022. The statement was approved by the board of Vow on 25 April 2023.

Deviations from the code: None

2. BUSINESS ACTIVITY

The company's world-leading solutions convert biomass and waste into valuable resources and generate clean energy for a wide range of industries. Advanced technologies and solutions from Vow enable industry decarbonisation and material recycling. Biomass, sewage sludge, plastic waste and end-of-life tyres can be converted into clean energy, low carbon fuels and renewable carbon that replace natural gas, petroleum products and fossil carbon. The solutions are scalable, standardised, patented, and thoroughly documented, and the company's capability to deliver is well proven.

Located in Oslo, Norway, the parent company Vow ASA is listed on the Oslo Stock Exchange (ticker: Vow), with offices in Norway, France, Poland, and the US.

The company's business is clearly set out in article three of the company's articles of association:

"The objective of the company is production, delivery and maintenance of systems for processing and purifying wastewater, food waste, solid waste and bio sludge and other types of waste from vessels and offshore installations, including interests in other companies with similar business."

The board of Vow has defined clear objectives and strategies for the company's business activities, to secure a sustainable long-term value creation for the shareholders of the company. The board normally has two scheduled meetings per year that deal with the company's strategy, where objectives and risk profiles are evaluated. In its work, the board takes into account economic, social and environmental conditions.

Purpose and values

- **Purpose:** We have a profound passion for climate change mitigation and the prevention of pollution
- **Mission:** We shall maximise environmental sustainability impact
- **Core values:** We shall be Trustworthy, Responsible, Inclusive and Passionate in our conduct

Deviations from the code: None

3. EQUITY AND DIVIDENDS

The board and the management of Vow shall at all times aim at keeping the company's capital structure suitable for the company's objectives, strategy and risk profile, thereby ensuring that there is an appropriate balance between equity and other sources of financing. The board shall immediately take adequate steps should it be apparent at any time that the company's equity or liquidity is less than adequate.

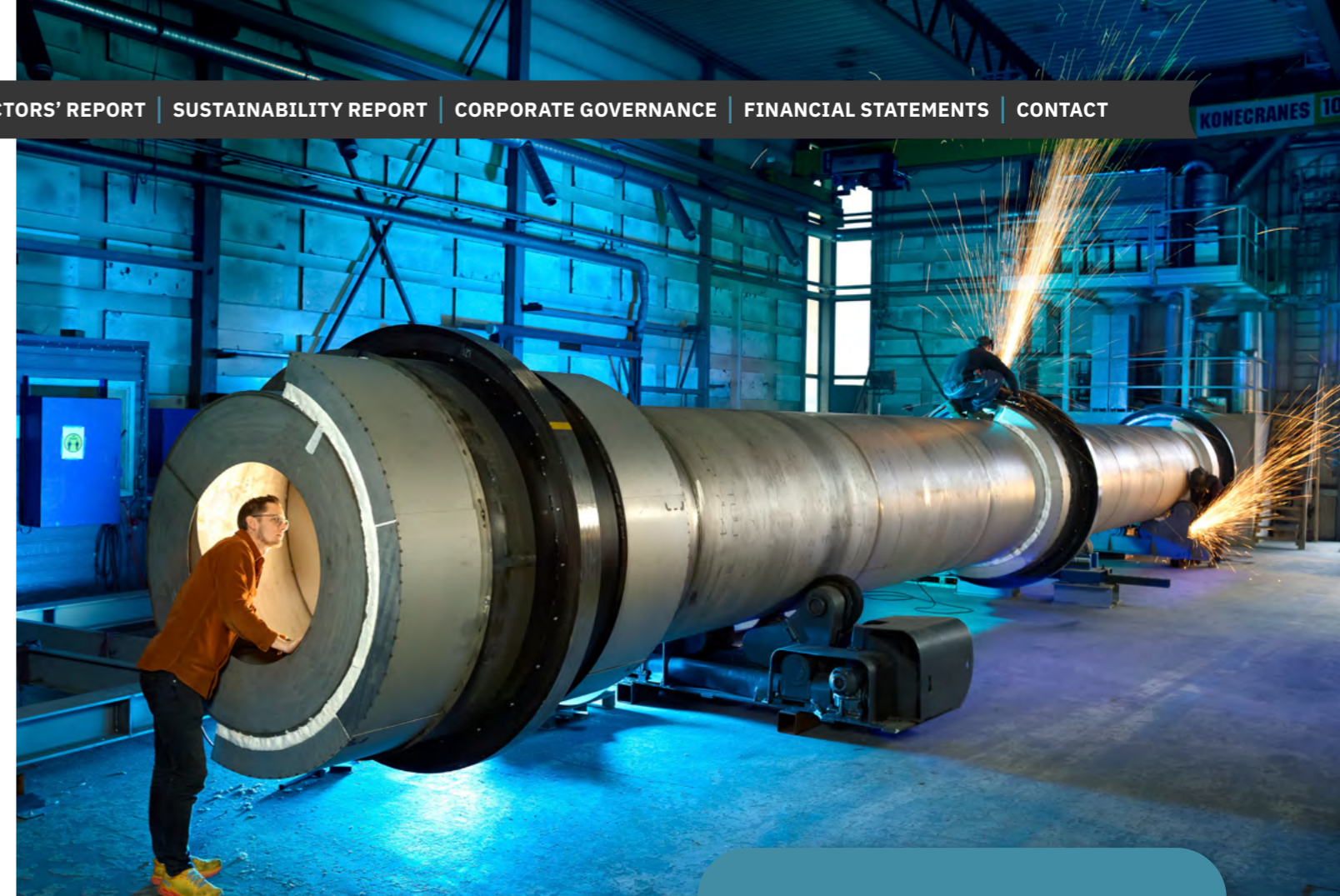
Equity

Vow's equity totalled NOK 537.8 million at 31 December 2022, which corresponds to an equity ratio of 37 per cent. The board considers Vow's capital structure to be appropriate to the company's objectives, strategy, and risk profile.

Dividends

The board of Vow has established a dividend policy stating that the company's goal is to provide shareholders with a high return over time through a combination of increasing value of the company's shares and payment of dividends.

The board will not propose any payment of dividend if the company's financial position is not sufficiently solid. The background for any proposal to authorise the board to resolve distribution of dividends should be explained. Vow had solid financial results for 2022. However, to support a sustainable growth strategy, the board will not propose to the annual general meeting (AGM) to pay any dividend in 2023, but has proposed an authorisation to the board of



The large-scale pyrolysis reactor which is currently being assembled by C. H. Evensen has been named as a central piece in Vow Green Metals' plans to double production capacity at Europe's largest biocarbon factory at Follum, Norway. Studies are ongoing.

directors to resolve dividend payments during the period up to 30 June 2024, in case the board of directors deems that this is prudent and in line with the overall strategy to provide the shareholders with a high return over time. The group did not pay out dividend in 2021 and 2022 other than the dividend in form of consideration shares in VGM.

Board authorisations

Authorisations granted to the board to increase the company's share capital shall be restricted to defined purposes. If the general meeting is to consider authorisations to the board for the issue of shares for different purposes, the general meeting shall consider each authorisation separately. Authorisations granted to the board shall be limited in time to no longer than until the next AGM. Authorisations granted to the board to purchase of the company's own shares shall be valid until the next AGM.

At the company's AGM on 19 May 2022, the board was granted a total of four authorisations, all valid until the earlier of the AGM in 2023 and 30 June 2023:

- The board was granted an authorisation to purchase Vow shares in the market with a total nominal value of up to NOK 267 877.50 for subsequent deletion.

- The board was granted an authorisation to acquire Vow shares in the market with a total nominal value of up to NOK 133 938 for the incentive scheme.
- The board was granted an authorisation to increase the share capital by up to NOK 213 665. The authorisation can be used in connection with incentive programs.
- In addition, the board was granted an authorisation to increase the company's share capital by up to NOK 1 068 330 for the purpose of strengthening the company's equity/liquidity. It follows from the purpose of the authorisations that the board may need to waive existing shareholders' preference rights, which is permitted under the terms of the authorisations concerned.

Deviations from the code: None

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

Any decision to deviate from the pre-emption rights of existing shareholders to subscribe for shares in the event of an increase in share capital shall be justified.

Where the board resolves to carry out an increase in share capital and deviate from the pre-emption rights of existing shareholders on the basis of an authorisation granted to the board, the justification shall be publicly disclosed in a stock exchange announcement issued in connection with the increase in share capital.

Any transactions in the company's own shares are carried out through the stock exchange or at prevailing market price.

Deviations from the code: None

5. SHARES AND NEGOTIABILITY

Vow has one class of shares, and all shares carry equal rights. Each share has a face value of NOK 0.09350 and carries one vote at the general meetings.

The company emphasises equal treatment of its shareholders and the shares are freely tradable. No restriction on owning or voting for shares is included in the articles of association.

Deviations from the code: None

6. GENERAL MEETINGS

The general meeting is the company's ultimate decision-making body. All shareholders have the right to participate in the general meetings of the company and Vow encourages all of its shareholders to participate. The board shall facilitate for the general meeting to be an effective forum for communication between the board and the shareholders. Members of the board, the nomination committee chair, the CEO, and the company's auditor are expected to participate in the AGM.

Pursuant to article eight of the company's articles of associations, documents relating to matters to be considered at the general meeting, including documents which shall, according to law, be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if the documents are made

available on the company's website. A shareholder may request to receive the documents concerning matters which are to be discussed at the general meeting.

The notice calling the AGM and any extraordinary general meetings, and all supporting documentation, shall be made available on the company's website, www.vowasa.com. Notice and supporting documentation shall include the information necessary for shareholders to form a view of matters to be considered. Shareholders who wish to participate in a general meeting, shall notify the company of this within a deadline which is set out in the notice of the general meeting. The registration deadline shall be set as close to the meeting as practically possible.

Shareholders not in attendance can give proxy to vote on his/her behalf. Forms of proxy are sent to the shareholders together with the notice of the meeting. The proceeding in the meeting follows the agenda outlined in the notice. Shareholders can raise a topic at the general meeting but must notify the board of this in writing and in reasonable time before the notice of the general meeting is dispatched.

Each general meeting appoints a chairperson for the meeting. If significant and unusual topics are on the agenda, an independent chairperson will be appointed.

Deviations from the code: None

7. NOMINATION COMMITTEE

Pursuant to article six of the company's article of association, the company shall have a nomination committee consisting of two or three members, according to the decision of the general meeting. The members of the committee, including the chair, shall be elected by the general meeting. Unless otherwise resolved by the general meeting, the elections shall be held every two years.

The members of the nomination committee should be selected to consider the interests of shareholders in general, where the majority of the committee members are independent of the board and the executive management team.

The nomination committee makes proposals to the general meeting for the election and remuneration of directors and proposes members and remuneration to the nomination committee. The nomination committee shall justify its recommendations.

The general meeting may establish guidelines for the nomination committee. The company shall provide information about the members of the nomination committee and any deadlines for submitting proposals to the committee.

The nomination committee shall have contact with shareholders, the board, and the company's executive personnel as part of its work on proposing candidates for election to the board.

The AGM held on 19 May 2022 elected Bård Brath Ingerø as the leader of the nomination committee and Lars Martin Lunde as member of the committee. Mr Ingerø is also member of the board of directors of Vow and represents the company's major shareholder. Both were elected for the period up to the AGM in 2023.

Except for the nomination committee composition, there are no deviations from the code.

8. BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

The composition of the board shall ensure that the board can attend to the common interests of all shareholders and meet Vow's need for expertise, capacity, and diversity. Attention shall be paid to ensuring that the board can function effectively as a collegiate body.

The composition of the board shall ensure that it can act independently of any special interests. The majority of the shareholder-elected members of the board shall be independent of the company's executive personnel and material business connections. In addition, at least two of the members of the board must be independent of the company's major shareholder(s). For the purposes of this corporate governance policy, a major shareholder shall mean a shareholder that controls 10 per cent or more of the company's shares or votes, and independence shall entail that there are no circumstances or relations that may be expected to be able to influence independent assessments of the person in question.

According to article five of Vow's article of association, the company's board shall consist of three to seven members, according to the decision of the general meeting.

The directors are elected by the general meeting for a term of two years unless otherwise determined by the general meeting. The AGM held on 19 May 2022 re-elected Narve Reiten as chair of the board, as well

as Susanne Schneider, Hanne Refsholt and Bård Brath Ingerø as directors. The constitution of the board reflects a strong background that balances specific industry experience with a combination of financial background, management experience, and industrial experience.

All directors are deemed to be independent of the company's executive personnel and material business connections and two of the four members of the board are independent of major shareholders. Mr Reiten and Mr Ingerø represent the company's largest shareholder. No members of the executive management team are members of the board.

The board held a total of six meetings in 2022 and the attendance rate was 100 per cent. A description of the competence and background of the individual directors can be found on www.vowasa.com. The directors are encouraged to hold shares in the company.

Deviations from the code: None

9. THE WORK OF THE BOARD OF DIRECTORS

The board's tasks include the overall management and supervision of the company. The board prepares an annual plan for its work, emphasising goals, strategies, and execution. The board is also responsible for ensuring that the operation of the company is compliant with the company's values and ethical guidelines. The chair of the board is responsible for ensuring that the board's work is performed in an effective and correct manner.

The board shall ensure that the company has proper management with clear internal distribution of responsibilities and duties. A clear division of work has been established between the board and the executive personnel. The CEO is responsible for the executive management of the company.

The board normally schedules six regular meetings each year, but typically holds additional meetings as circumstances dictate. Two of the scheduled board meetings deal with strategic company issues and all the scheduled meetings deal with updates on financial results. The board operates according to applicable Norwegian law and adopts guidelines for the CEO's work and duties to the board.

In the event of material transactions between the company and its shareholders, a shareholder's parent company, members of the board, executive personnel,

or close associates of any such parties, the board shall arrange for a valuation to be obtained from an independent third party. This will not apply if the transaction requires the approval of the general meeting pursuant to the requirements of the Norwegian Public Limited Liability Companies Act (the Companies Act).

Independent valuations shall also be arranged in respect of transactions between companies in the same group where any of the companies involved have minority shareholders. Members of the board and executive personnel must notify the board if they have any significant, direct, or indirect, interest in a transaction carried out by the company.

Any transactions with related parties will be conducted on market terms. Transactions with related parties will be enclosed in the notes to the financial statements.

The board shall provide details in the annual report of any board committees appointed. The board has appointed an audit committee, consisting of Narve Reiten as chair of the committee and Hanne Refsholt as committee member, and a sustainability committee consisting of Bård Brath Ingerø as chair of the committee and Hanne Refsholt as committee member.

The board evaluates its own performance and expertise once a year. Vow ASA has a board liability insurance with Tryg insurance company for the group, including the parent company and its subsidiaries. The insurance comprises personal legal liabilities, including defence and legal costs.

Deviations from the code: None

10. RISK MANAGEMENT AND INTERNAL CONTROL

The board shall ensure that Vow has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The board monitors the company's risk exposure, and the company constantly strives to maintain and improve its internal control processes. The internal control and the systems shall also encompass the company's corporate values and ethical guidelines.

The objective of the risk management and internal control is to manage exposure to risks in order to ensure successful conduct of the company's business and to support the quality of its financial reporting.

The finance and accounting side the company's internal control is also subject to an independent review by the external auditor EY, where the findings are presented annually in a board meeting. Once a year, the board carries out reviews of the company's most important areas of exposure to risk and its internal control arrangements.

Deviations from the code: None

11. BOARD REMUNERATION

The remuneration payable to the members of the board is proposed by the nomination committee and determined by the shareholders at the AGM. The remuneration to the board should reflect the board's responsibilities, expertise, time invested and the complexity of the business, and be designed to attract and retain an optimal board structure in a competitive environment. The remuneration of the board is not linked to the company's performance, and no share options have been granted to members of the board. Details of the remuneration are disclosed in the notes to the financial statements.

Members of the board and/or companies with whom the members are associated shall not take on specific assignments for the company in addition to their appointments as members of the board. If they, nonetheless, do take on such assignments, this must be reported to the board and the remuneration for such additional duties must be approved by the board.

Any remuneration in addition to normal fees to the members of the board shall be specified in the annual report.

Deviations from the code: None

12. REMUNERATION OF EXECUTIVE PERSONNEL

Pursuant to section 6-16a of the Companies Act, the board has adopted clear and understandable guidelines for the remuneration of executive management team which contribute to the company's business strategy, long-term interests, and financial sustainability. These guidelines will, in line with the said statutory provision, be laid before the company's AGM each year.

The schemes for salaries and other remuneration should contribute to coincidence interests between



Great to have the C. H. Evensen team aboard!

shareholders and senior executives and be simple. It is critical for Vow to attract and retain engaged executives with significant experience and strong drive for results. A competitive compensation package is an important tool to attract and retain the executive personnel that Vow needs to succeed. There is no performance-related remuneration in Vow.

Pursuant to Section 6-16b of the Public Limited Companies Act, the board annually prepares to the general meeting a Remuneration Report which includes information on remuneration paid to the executive management team in accordance with the guidelines.

The board's statement is included in the annual report and further details relating to the salary and benefits payable to the CEO and other senior executives are available in the notes to the financial statements.

Deviations from the code: None

13. INFORMATION AND COMMUNICATION Investor relations

Communication with shareholders, investors and analysts has high priority for Vow. The objective is to ensure that the financial markets and shareholders receive correct and timely information, thus providing a sound foundation for a valuation of the company.

All market players shall have access to the same information, and all information is published in English. All notices sent to the stock exchange are made available on the company's website and at Oslo Børs' news site, www.newsweb.no.

The board has established guidelines for the company's reporting of financial and other information, based on openness and equal treatment. The CEO and CFO are responsible for communications with shareholders in the period between general meetings. The company submits

half-yearly and annual financial reports to the Oslo Børs and holds presentations of its financial results at least twice per year. These presentations are open to all and provide an overview of the company's operational and financial performance in the previous reporting period, as well as an update on the company's future prospects. The presentations are also made available on the company's website, www.vowasa.com.

Deviations from the code: None

14. TAKE-OVERS

The board has established guiding principles for how it will act in the event of a take-over bid received. During the course of a take-over process, the board and the management of both the party making the offer and the target company are held responsible to ensure that the shareholders in the target company are treated equally, the target company's business activities are not disrupted unnecessarily and that shareholders are given sufficient information and time to form a view of the offer.

The board shall not attempt to prevent or impede the take-over bid unless this has been decided by the general meeting in accordance with applicable laws. The main underlying principles shall be that the company's shares shall be kept freely transferable and that the company shall not establish any mechanisms which can prevent or deter take-over offers unless this has been decided by the general meeting in accordance with applicable law.

If an offer is made for the company's shares, the board shall issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. If the board finds itself unable to give a recommendation to the shareholders on whether or not to accept the offer, it should explain the reasons for this. The board's statement on a bid shall make it clear whether the views expressed are unanimous, and if this is not the case, it shall explain the reasons why specific members of the board have excluded themselves from the statement.

The board shall consider whether to arrange a valuation from an independent expert. If any member of the board, or close associates of such a member, or anyone who has recently held a position but has ceased to hold such a position as a member of the board, is either the bidder or has a particular personal interest in the bid, the board shall arrange an independent valuation. This shall also apply if the bidder is a major shareholder (defined

as a shareholder that controls 10 per cent or more of the company's shares or votes). Any such valuation should either be enclosed with the board's statement or reproduced or referred to in the statement.

Deviations from the code: None

15. AUDITOR

The auditor is appointed by the AGM and is independent of Vow ASA. Each year the board shall receive written confirmation from the auditor that the requirements with respect to independence and objectivity have been met.

Each year, the auditor shall draw up a plan for the execution of their auditing activities, and the plan shall be made known to the board and the audit committee. The auditor will present to the board any significant internal control weaknesses and improvement opportunities.

The board has determined the procedures for the external auditor's regular reporting to the board. The auditor attends at least one meeting each year with the board which the company's management is not represented.

Vow has established guidelines for the right of the management to use the external auditor for services other than auditing. According to the procedure, all assignments shall be approved by the CEO, and if there are significant assessments outside the normal scope of services, this shall also be discussed with the chair of the board. The board shall receive an annual statement from the external auditor of services other than auditing provided to Vow. The auditor's fee is determined at the AGM and disclosed in the company's financial statements.

The auditor shall be present at board meetings where the annual accounts are on the agenda. Whenever necessary, the board shall meet with the auditor to review the auditor's view on the company's accounting principles, risk areas, internal control routines, etc.

At the AGM, the board shall present a review of the auditor's compensation as paid for auditory work required by law and remuneration associated with other specific assignments. The board shall arrange for the auditor to attend all general meetings.

Deviations from the code: None



FINANCIAL STATEMENTS VOW GROUP

BOARD OF DIRECTORS	26
Executive MANAGEMENT team	27
Consolidated statement of income	68
Consolidated statement of other comprehensive income	68
Consolidated statement of financial position	69
Consolidated statement of changes in equity	70
Consolidated statement of cash flow	71
Notes to the consolidated financial statements	72
Note 01 General information.....	72
Note 02 Summary of significant accounting policies.....	72
Note 03 Critical accounting estimates and assumptions	76
Note 04 Business combination	77
Note 05 Segments and revenue	78
Note 06 Employee expense, remuneration to management and board of directors and share option plan	82
Note 07 Other operating expenses, remuneration to auditor and costs for demerger, listing and strategic processes... 84	
Note 08 Inventories	85
Note 09 Trade receivables.....	85
Note 10 Other receivables and prepayments	86
Note 11 Cash and cash equivalents.....	86
Note 12 Share capital and shareholder information.....	86
Note 13 Borrowing	87
Note 14 Convertible loan.....	89
Note 15 Other current liabilities.....	90
Note 16 Earnings per share	90
Note 17 Transactions with related parties	90
Note 18 Investment in associate company	92
Note 19 Tax	93
Note 20 Property, plant and equipment.....	94
Note 21 Intangible assets	94
Note 22 Finance income and costs.....	97
Note 23 Financial instruments	97
Note 24 Leases.....	99
Note 25 Contingent liabilities	100
Note 26 Events after the reporting period.....	100

FINANCIAL STATEMENTS VOW ASA

Statement of income – Vow ASA.....	102
Statement of other comprehensive income – Vow ASA.....	102
Statement of financial position – Vow ASA	103
Statement of changes in equity – Vow ASA	104
Statement of cash flow – Vow ASA	105
Notes to the financial statements – Vow ASA	106
Note 01 General information.....	106
Note 02 Summary of significant accounting policies.....	106
Note 03 Critical accounting estimates and assumptions	107
Note 04 Other operating expenses, remuneration and cost for demerger, listing and strategic processes.....	108
Note 05 Finance income and costs.....	108
Note 06 Tax	109
Note 07 Investment in subsidiaries	109
Note 08 Investment in associate company.....	110
Note 09 Other receivables.....	110
Note 10 Cash and cash equivalents.....	111
Note 11 Intercompany balances and transactions.....	111
Note 12 Share capital and shareholder information	111
Note 13 Borrowing	112
Note 14 Other current liabilities.....	112
Note 15 Convertible loan.....	113
Note 16 Financial instruments	113
Note 17 Contingent liabilities	114
Note 18 Events after the reporting period.....	114
Statement by the board of directors and CEO	115
Auditor's report	116
Definitions of alternative performance measures not defined by IFRS.....	120

CONSOLIDATED STATEMENT OF INCOME

(Amounts in NOK million)	Note	2022	2021
Revenues	5	782.8	454.1
Total operating revenues		782.8	454.1
Cost of goods sold	5, 17	(487.2)	(282.5)
Employee expenses	6	(126.6)	(90.8)
Other operating expenses	7	(76.8)	(39.6)
EBITDA before transaction costs		92.2	41.1
Cost for transactions, listing and strategic processes	7	(6.7)	(9.8)
EBITDA		85.5	31.3
Depreciation	20, 24	(17.7)	(13.5)
Amortisation	21	(13.8)	(10.2)
Impairment	21	(0.7)	(0.6)
Operating profit (EBIT)		53.3	7.1
Finance Income	22	25.2	13.4
Finance cost	22	(34.2)	(32.3)
Share of net profit from associated company	18	(22.1)	(7.4)
Gain from demerger of Vow Green Metals AS operations	18	-	341.6
Net financial items		(31.1)	315.3
Result before tax		22.3	322.3
Income tax expenses	19	(7.9)	1.0
Result for the year		14.4	323.4
<i>Attributable to:</i>			
Owners of the parent		14.3	323.3
Non-controlling interests		0.1	0.1
Total		14.4	323.4
<i>Earnings per share (NOK):</i>			
- Basic	16	0.13	2.86
- Diluted	16	0.12	2.80

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(Amounts in NOK million)	Note	2022	2021
Result for the year		14.4	323.4
Other comprehensive income			
Exchange differences on translation of foreign operations		9.2	(6.1)
Total other comprehensive income, net of tax		9.2	(6.1)
Total comprehensive income for the year		23.6	317.2
<i>Attributable to:</i>			
Owners of the parent		23.5	317.1
Non-controlling interests		0.1	0.1
Total		23.6	317.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK million)	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Deferred tax asset	19	9.2	9.2
Property, plant and equipment	20	43.9	22.3
Intangible assets	21	332.8	232.6
Goodwill	21	179.3	137.8
Right-of-use assets	24	36.1	24.9
Investment in associated company	18	120.5	142.6
Long term receivables		0.9	0.9
Total non-current assets		722.5	570.2
Current assets			
Inventories	8	54.6	18.0
Trade receivables	9	192.1	122.3
Contracts in progress	5	339.2	195.0
Other receivables and prepayments	10	101.5	60.0
Cash and cash equivalents	11	42.5	141.1
Total current assets		729.9	536.3
Total assets		1 452.4	1 106.6
EQUITY AND LIABILITIES			
Equity			
Share capital	6, 12	10.7	10.7
Treasury shares		(0.1)	-
Share premium	6, 12	498.0	516.4
Other capital reserves	6, 18	8.6	6.9
Translation differences		8.3	(0.9)
Retained earnings		3.9	(10.5)
Equity attributable to owners of the parent		529.5	522.6
<i>Attributable to:</i>			
Non-controlling interest	17	1.1	1.1
Owners of the parent	17	529.5	522.6
Total equity		530.6	523.7
Liabilities			
Non-current liabilities			
Deferred tax liability	19	46.8	33.2
Long term borrowings	13	192.9	240.4
Non-current lease liabilities	24	25.3	11.0
Total non-current liabilities		265.0	284.6
Current liabilities			
Current borrowings	13	191.0	39.8
Trade creditors	23	177.8	72.9
Convertible loan	4, 13, 14	28.5	-
Contract accruals	5	141.0	96.4
Bank overdraft / trade finance overdraft	13	61.4	2.1
Current lease liabilities	24	12.2	14.1
Other current liabilities	15	44.9	72.9
Total current liabilities		656.7	298.2
Total liabilities		921.8	582.8
TOTAL EQUITY AND LIABILITIES		1 452.4	1 106.6

Lysaker, Norway, 25 April 2023
The board of directors and CEO – Vow ASA


Narve Reiten
Chair


Bård Brath Ingerø
Director


Hanne Refsholt
Director


Susanne L. R. Schneider
Director


Henrik Badin
CEO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity statement 31 December 2022							
(Amounts in NOK million)	Share capital	Treasury shares	Share premium	Other capital reserves	Translation differences	Retained earnings	Total
Equity at 1 January 2022	10.7	-	516.4	6.9	(0.9)	(9.5)	523.7
Result for the year	-	-	-	-	-	14.4	14.4
Other comprehensive income	-	-	-	-	9.2	-	9.2
Total comprehensive income	-	-	-	-	9.2	14.4	23.6
Share buy-back programme	-	(0.1)	(21.7)	-	-	-	(21.8)
Increase through share-based payment	0.0	-	3.3	-	-	-	3.4
Stock options	-	-	-	1.7	-	-	1.7
Distribution of assets as dividend	-	-	-	-	-	-	-
Equity at 31 December 2022	10.7	(0.1)	498.0	8.6	8.3	4.9	530.6
Attributable to non-controlling interest							1.1
Attributable to owners of the parent							529.5
Total							530.6

Equity statement 31 December 2021							
(Amounts in NOK million)	Share capital	Treasury shares	Share premium	Other capital reserves	Translation differences	Retained earnings	Total
Equity at 1 January 2021	10.9	-	292.0	3.7	5.2	8.8	320.8
Result for the year	-	-	-	-	-	323.4	323.4
Other comprehensive income	-	-	-	-	(6.1)	-	(6.1)
Total comprehensive income	-	-	-	-	(6.1)	323.4	317.2
Issue of capital	0.5	-	218.0	-	-	-	218.5
Nominal value reduction	(0.7)	-	-	0.7	-	-	-
Increase through share-based payment	0.0	-	6.3	-	-	-	6.4
Stock options	-	-	-	2.4	-	-	2.4
Distribution of assets as dividend	-	-	-	-	-	(341.6)	(341.6)
Equity at 31 December 2021	10.7	-	516.4	6.9	(0.9)	(9.5)	523.7
Attributable to non-controlling interest							1.1
Attributable to owners of the parent							522.6
Total							523.7

CONSOLIDATED STATEMENT OF CASH FLOW

(Amounts in NOK million)	Note	2022	2021
Cash flow from operating activities			
Result before income tax		22.3	322.3
Adjustments:			
Depreciation, amortisation and impairment	20, 21, 24	32.2	24.3
Stock option	6	1.7	2.4
Fair value adjustments conversion rights	14	-	-
Changes in fair value FX derivatives	22, 23	-	(1.9)
Gain from demerger of Vow Green Metals AS	18	-	(341.6)
Share of net profit from associated company	18	22.1	7.4
Net interest cost	22	16.4	10.8
Income tax paid	19	3.0	-
Changes in work in progress	5	(101.5)	(31.7)
Changes in inventories, trade receivables and trade creditors	8, 9, 10	7.8	(16.9)
Changes in other accruals	10, 15	(76.1)	42.8
Net cash flow from operating activities		(72.2)	18.0
Cash flow from investing activities			
Investment/sale of subsidiaries	4	(25.0)	-
Investment/sale of associates	18	-	(150.0)
Purchase of property, plant and equipment	20	(18.0)	(9.4)
Investment in intangible assets	21	(99.2)	(86.7)
Net cash flow from investing activities		(142.1)	(246.1)
Cash flow from financing activities			
Proceeds from issuing stock	6, 12	3.4	224.9
Treasury shares	12	(21.8)	-
Proceeds from non-current borrowings	13	10.8	155.8
Proceeds from current borrowings	13	135.0	18.2
Interest paid	22	(17.0)	(10.3)
Leasing obligations	24	(11.9)	(8.6)
Bank overdraft/Trade finance facility	13	64.1	(12.8)
Repayment of loans	13	(47.9)	(26.0)
Net cash flow from financing activities		114.6	341.1
Net change in cash and cash equivalents		(99.7)	113.0
Effect of exchange rate changes on cash and cash equivalents		1.1	1.5
Cash and cash equivalents at start of period		141.1	26.6
Cash and cash equivalents at end of period		42.5	141.1
Non-restricted cash		37.0	137.8
Restricted cash		5.5	3.3
Cash and cash equivalents at end of period	11	42.5	141.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 01 GENERAL INFORMATION

Vow ASA, which is the parent company of the Vow group (the group), is a limited liability company incorporated and domiciled in Norway, with its head office at Lysaker Torg 12, NO-1366 Lysaker.

The group delivers advanced technologies for processing waste and purifying wastewater in cruise, aquaculture and landbased industries. Owners operating the group's systems have the solution to convert all waste and wastewater into clean energy and purified water which meets the highest international discharge standards.

C. H. Evensen Industriovner AS (C. H. Evensen) was acquired 30 March 2022. C. H. Evensen is a supplier of technology and solutions for high-temperature industrial processes for industries to lower emissions and improve operational efficiencies, which makes it an excellent match with Vow's pyrolysis-based circular carbon and CO₂ neutral energy solutions. The financial results of C. H. Evensen have been included in the Vow group accounts from 1 April 2022 and are reported as part of the Landbased segment.

The acquisition of ETIA in 2019 broaden the group's technology portfolio and products for landbased industries. This includes patented solutions for pyrolysis process for converting biomass, plastics and waste into energy and useful products. Valuable residuals and nutrients from the processes can be recovered for reuse. The group provides life cycle services in terms of parts, consumables, and operational assistance to the installed base worldwide.

Vow Green Metals AS was demerged from Vow ASA on 9 July 2021 and listed on Euronext Growth 12 July 2021. Vow ASA made an investment through the cash injection of NOK 150 million in Vow Green Metals AS, which resulted in an ownership of 30.4 per cent.

The financial statements were approved by the company's board on 25 April 2023.

NOTE 02 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

2.1 Basis for preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with the additional requirements following the Norwegian Accounting Act.

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments.

2.2 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet, respectively. If the group loses control over a subsidiary, it derecognises the assets, liabilities and non-controlling interest, and reclassify to profit or loss, or transfers directly to retained earnings as appropriate, the amounts recognised in other comprehensive income in relation to the subsidiary.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests, and any consideration paid or received, is recognised in a separate reserve within equity attributable to owners.

2.3 Business combination

The acquisition method of accounting is used to account for business combinations.

The consideration comprises: fair value of the assets transferred, liabilities incurred to the former owners of acquired business, equity interests issued by the group, fair value of any assets or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expensed as incurred.

The excess of the sum of consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets required, is recorded as goodwill. If, after reassessment, the group's interest in the net fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities exceeds the total consideration of the business combination, the excess is recognised in the income statement immediately.

Where settlement of any part of cash consideration is deferred, the future amounts payable are discounted to their present value as the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, which changes in fair value recognised in profit or loss.

2.4 Foreign currency

Functional currency, presentation currency and consolidation:

The group's presentation currency is Norwegian kroner (NOK). This is also the Parent company's functional currency. For consolidation purposes, the balance sheet figures for subsidiaries with a different functional currency, are translated into the presentation currency (NOK) at the rate applicable at the balance sheet date and their income statements are translated at the exchange rate prevailing at the date of transaction. As an approximation, average exchange rates for each quarter are applied in translating the income statements. If the exchange rates do not change much, an average rate for the year is used. A shorter period is used if the exchange rate fluctuates much. Exchange differences are recognised in other comprehensive income.

Transactions in foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the transaction date. Monetary balances in foreign currencies are translated into the functional currency at the exchange rates on the date of the balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised under financial items in the income statement.

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment charges. Depreciations are calculated on a straight-line basis over the assets expected useful life and adjusted for any impairment charges. Expected useful lives of long-lived assets are reviewed annually and where they differ significantly from previous

estimates, depreciation periods are changed accordingly. Ordinary repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. Assessment is made at least once a year. The difference between the assets' carrying amount and its recoverable amount is recognised in the income statement as impairment.

2.6 Intangible assets

Intangible assets acquired separately that have a finite useful life, are carried at cost less accumulated amortisation and any impairment charges. Amortisation is calculated on a straightline basis over the assets' expected useful life and adjusted for any impairment charges.

Internally generated intangible assets

Expenditures on research activities, undertaken with the prospects of gaining new technical knowledge and understanding, are recognised in profit or loss as incurred.

The group is constantly working with activities to optimise our portfolio of systems and technology. Development projects involve a plan or design to produce new or substantially improved products and processes. The cost related to the projects will be capitalised if the criteria for capitalisation is met. If costs for development shall be capitalised, the group must demonstrate, amongst others, that the technical feasibility is available, that the group has the intention to complete the asset and its ability to sell it. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. The intangible assets are amortised from the time it is available for use.

At each year end, the group assess whether there is any indication that the asset may be impaired. If there is any indication of impairment, an impairment test is performed, and the assets or the cash generating unit's recoverable amount is calculated. When the recoverable amount is less than the carrying amount, an impairment loss is recognised in the income statement.

The company has in the period 2013 to 2022 received refundable tax credits ("Skattefunn"). This is recognised in the financial statement as a reduction of book value in the intangible assets and as a current receivable.

Goodwill

Goodwill does not generate cash flows independently of other assets or groups of assets and is allocated to the cash generating units expected to benefit from the synergies of the combination that gave rise to the goodwill. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

An impairment is recognised if the recoverable amount (the higher of fair value, less cost to sell, and value in use) of the cash-generating unit is less than the carrying amount of the cash-generating unit.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current location. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.8 Trade receivables and other current receivables

Trade receivables and other current receivables are initially recognised at their transaction price (as defined in IFRS 15). The receivables are subsequently measured at amortised cost using the effective interest method, if the amortisation effect is material, less provision for impairment. Other current receivables include prepayments and receivables from any related parties.

2.9 Cash and cash equivalents

Cash and the equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts and trade finance facilities are shown within borrowings in current liabilities in the balance sheet.

2.10 Trade creditors

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method if the amortisation effect is material.

2.11 Taxes

Income tax expense for the period comprises current tax expense and deferred tax expense.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are calculated on the basis of existing temporary differences between the carrying amounts of assets and liabilities in the financial statement and their tax basis, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to apply when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that the deferred tax asset can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The companies included in the consolidated financial statement are subject to income tax in the countries where they are domiciled.

2.12 Revenue recognition

The accounting policies for the group's revenue from contracts with customers are explained in note 5.

2.13 Derivative financial instruments

Derivative financial instruments are classified in category at fair value through profit or loss. These instruments are measured at fair value with changes in fair value charged to the income statement. The group does not apply hedge accounting. For more information see note 22, 23 and 24.

2.14 Pension plans

The group has a defined contribution plan for its employees. The group's payments are recognised in the income statement as employee benefits expense for the year to which the contribution applies.

2.15 Provisions

A provision is recognised when the group has a present legal or constructive obligation as a result of past events, it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as finance cost.

2.16 Share-based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The company has a share-based option plan covering certain employees in senior positions. The method of settlement is at the discretion of the company, and which is described in more detail in note 6. The share option plan is recognised as equity settled share-based payments as the practice of the group is to settle in shares and not in cash.

2.17 Contingent liabilities

Contingent liabilities are not recognised in the financial statements. Significant contingent liabilities are disclosed, except for contingent liabilities where the probability of the liability occurring is remote.

2.18 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shares using the weighted average number of ordinary shares outstanding during the year after deduction of the average number of treasury shares held over the period.

The calculation of diluted earnings per share is consistent with the calculation of the basic earnings per share, but gives at the same time effect to all dilutive potential ordinary shares that were outstanding during the period, by adjusting the profit/loss and the weighted average number of shares outstanding for the effects of all dilutive potential shares, i.e.:

- The profit/loss for the period attributable to ordinary shares is adjusted for changes in profit/loss that would result from the conversion of the dilutive potential ordinary shares.
- The weighted average number of ordinary shares is increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary.

2.19 Reserves

Exchange differences relating to the translation of the net assets of the group's foreign operations from their functional currency to the group's presentation currency is recognised directly in other comprehensive income and presented as "translation differences" in the statement of financial position and statement of changes in equity.

2.20 Cost of equity transactions

Transaction costs directly attributable to an equity transaction are recognised directly in equity, net after deducting tax.

2.21 Cash flow statement

The cash flow statement is prepared by using the indirect method.

2.22 Leases

The group leases various offices, equipment and cars. Rental contracts are typically made for fixed periods of two to nine years but may have extension options.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The group determines the incremental borrowing rate based on the group's recent third-party financing in connection with the group's operations, together with an assessment of the nature of the asset.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Extension and termination options

Extension and termination options are included in several property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

2.23 Investment in associates

The group has investments in an associate. Associates are entities over which the group has significant influence, but not control or joint control over the financial and operating management. The considerations made in determining whether the group has significant influence over an entity are similar to those necessary to determine control over subsidiaries. Associates are accounted for using the equity method from the date when significant influence is achieved until such influence ceases.

Investments in associates are initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

Shares in VGM was classified as investment in associate after distribution of VGM shares to the shareholders of Vow ASA. The transaction is considered as distribution of assets other than cash as dividends to its owners (IFRIC 17). Fair value of VGM at the point of demerger was NOK 492 million including shares held by Vow ASA recognised at cost of NOK 150 million. The fair value gain of the consideration shares distributed to the shareholders in Vow ASA was recognised as gain from demerger at NOK 342 million in 2021.

The statement of profit or loss reflects the group's share of the results of operations of the associate. Unrealised gains and losses resulting from transactions between the group and the associate are eliminated to the extent of the interest in the associate. If there are indication of that the investment in the associate is impaired, the group will perform an impairment test of the carrying amount of the investment. Any impairment losses are recognised as share of profit of an associate in the statement of profit or loss. Upon loss of significant influence over the associate, and as such the equity method ceases, the group measures and recognises any retained investment at its fair value.

The group deliver systems to be capitalised in associated company VGM. The related margin in Vow for such deliveries

will not be recognised on delivery for the share owned by the group. Instead it will be accrued and recognised proportionally over the useful life period of the asset in the associated company.

2.24 Events after the balance sheet date

The financial statements are adjusted to reflect events after the balance sheet date that provides evidence of conditions that existed at the date of the balance sheet (adjusting events). The financial statements are not adjusted to reflect events after the balance sheet date that are indicative of conditions that arose after the date of the balance sheet (non-adjusting events). Non-adjusting events are disclosed if significant.

2.25 Changes in accounting policy and disclosures

The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting policies

The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendment is effective for annual periods beginning on or after 1 January 2023, but earlier application is permitted. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Amendments to IAS 16 – Proceeds before Intended Use

In May 2020, the International Accounting Standards Board issued Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) which prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

The amendment was effective for annual periods beginning on or after 1 January 2022, but earlier application is permitted.

The amendment had no effect on the consolidated financial statements of the group.

Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract

In May 2020 the International Accounting Standards Board issued Onerous Contracts—Cost of Fulfilling a Contract.

This amended IAS 37 to clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The amendment was effective for annual periods beginning on or after 1 January 2022, but earlier application is permitted.

The amendment had no effect on the consolidated financial statements of the group.

NOTE 03 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in accordance with IFRS requires management to make judgements, use estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are considered reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis.

Estimates and assumptions which represent a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities are presented below.

Revenue recognition for contracts under the cost-to-cost method (IFRS 15)

Revenue is recognised based on estimated progress for each contract. Several estimates are made to calculate the stage of completion. These estimates have a direct influence over the amount of revenue that has been recognised. The uncertainty is highest related to these factors:

- Project – sales:
 - Total estimated costs
 - Percentage of completion estimates

Projects are reviewed periodically to reduce the risk of material deviations in the estimates between periods. See note 5 for accounting policies for revenue from customers and contracts in progress.

Intangible assets

At year end the group assesses whether there is any indication that the asset may be impaired. The assessment is performed for each individual asset. To estimate the recoverable amount, the group prepare a discounted cash flow analysis for each intangible asset which is either under development or in use. The cash flow analysis contains the expected increase in revenue and expected cost to develop the asset. This cash flow is discounted, and the discounted value is compared with the booked value.

The uncertainty is highest related to the following estimates:

- Expected increase in revenue
- Expected total cost to complete the development of the intangible asset
- Expected date of completion of the intangible asset

As of 31.12.22, an impairment expense of NOK 0.7 million (NOK 0.6 million) was recognised related to intangible assets.

NOTE 04 BUSINESS COMBINATION

Acquisition of CH Evensen Industriovner AS (CHE)

On 30 March 2022 the group acquired 100 per cent of the shares in CH Evensen Industriovner AS (CHE). CHE develops, designs and produces industrial furnaces and equipment for a variety of heat treatment processes.

innovative, state-of-the-art equipment that helps customers improve their bottom line and gain a competitive edge. Innovation is essential and CHE continuously improves and optimises their technology, building “custom made” heat treating equipment through systematic innovation.

The depth of CHEs experience is to custom engineer heat treating equipment for demanding applications. CHE provides

Details of the purchase consideration, net assets acquired and goodwill:

(Amounts in NOK million)	On acquisition
Cash	25.0
Vendor note	28.3
Probability weighted outcome of "The Large Solution"	0.2
Total consideration	53.5

The purchase price for 100 per cent of the shares of the company is settled as follows:

- A cash consideration of NOK 25m, in which was paid on the transaction date.
- An amount equal to NOK 25m settled by the issuance of a Vendor Note to the Seller to be settled 14 months after the closing date. The Vendor note shall be interest free and include a right for the Seller to demand settlement in Vow shares listed on the Oslo Stock Exchange for NOK 25 per share. The Vendor note has been valued at NOK 28.3 million, which is the sum of i) the net present value of future payments, and ii) the fair value of the conversion rights

- Furthermore, the parties have agreed that a possible additional price/ reduction up to NOK 10 million is triggered depending on how the seller manages to meet given criteria in the ongoing building process of a Biocarbon reactor, referred to as “The Large Solution”. The additional price is to be settled by the purchaser in cash or in Vow shares within 14 months after closing date. In case of settlement in shares, each Vow share shall represent a price equal to VWAP per Vow share calculated based on the last 5 days before share subscription. The possible additional price has been valued to NOK 210 thousand by discounting the management’s expected outcome to present value.

The assets and liabilities recognised as a result of the acquisition are:

(Amounts in NOK million)	Fair value
Intangible assets	10.0
Right-of-use assets	17.2
Property, plant and equipment	7.2
Inventories	6.0
Cash and cash equivalents	10.1
Receivables	9.0
Long-term liabilities	(19.1)
Deferred tax liabilities	(2.3)
Trade creditors and other payables	(6.0)
Other current liabilities	(12.8)
Net identifiable assets acquired	19.3
Goodwill	34.2
Total	53.5

The fair value of acquired trade receivables included in receivables is NOK 6.1 million. No losses on the acquired trade receivables has occurred or is expected.

can create value from biomass and waste. The goodwill is not expected to be deductible for tax purposes.

The goodwill is attributable to the significant future market potential for the CHE products, including identified market prospects. The market opportunities are driven by multiple global mega trends, driving demand for the CHE products that

Revenue and profit contribution

The business combination contributes with revenues of NOK 47.1 million, an EBITDA of NOK 8.0 million and an EBIT of NOK 4.4 million from the date of the acquisition.

If the acquisition date had been 1.1.2022, the business combination would have contributed with revenues of NOK 56.9 million, an EBITA of NOK 5.4 million and an EBIT of NOK 0.7 million.

NOTE 05 SEGMENTS AND REVENUE

The group has identified three reportable operating segments as of December 31, 2022; Projects Cruise, Landbased and Aftersales. The group's management uses the operating profit for each segment for assessments of the segment's performance and for allocating resources. All transactions between operating segments are based on market terms.

Projects Cruise

Products under the projects cruise segment are systems delivered from Vow ASA through its subsidiary Scanship AS where we provide advanced systems with technologies for processing waste and purifying wastewater for cruise ships and aquaculture. Production of Scanship systems is outsourced to subcontractors as the main activities in the subsidiary are R&D, engineering, sales and marketing, project management and service.

Landbased

Sales within the landbased segment are systems and solutions provided by the group through its subsidiary ETIA and through the Norwegian operations. The Segment designs and provides plants for processing biomass, food products, and industry residues, which are widespread in the sectors of environment, agro-food and energy.

Aftersales segment

Revenue in the after sales segment are sales of spare parts, consumables and services towards shipowners. The long-term revenue base within aftersales is increasing with the increasing number of cruise ships with the groups systems installed.

Financial information operating segments:

2022 (Amounts in NOK million)	Projects Cruise	Landbased	Aftersales	Admin.	Total
Revenue	358.6	304.3	119.9	-	782.8
Total revenue	358.6	304.3	119.9	-	782.8
Cost of sales	(235.8)	(175.0)	(76.4)	-	(487.2)
Employee expenses	(37.0)	(58.5)	(24.3)	(6.7)	(126.6)
Other operating expenses	(8.8)	(33.2)	(5.2)	(29.6)	(76.8)
EBITDA before non-recurring items	76.9	37.7	14.0	(36.4)	92.2
<i>EBITDA before non-recurring items margin</i>	<i>21.4%</i>	<i>12.4%</i>	<i>11.7%</i>		11.8%
Non-recurring items	-	(4.5)	-	(2.2)	(6.7)
EBITDA	76.9	33.2	14.0	(38.6)	85.5
Depreciation and amortisation	(19.2)	(10.9)	(1.4)	-	(31.5)
Impairment	(0.1)	-	(0.6)	-	(0.7)
Operating profit	57.6	22.3	12.1	(38.6)	53.3

2021 (Amounts in NOK million)	Projects Cruise	Landbased	Aftersales	Admin.	Total
Revenue	294.2	108.0	51.9	-	454.1
Total revenue	294.2	108.0	51.9	-	454.1
Cost of sales	(195.3)	(55.9)	(31.4)	-	(282.5)
Employee expenses	(27.5)	(39.5)	(19.3)	(4.4)	(90.8)
Other operating expenses	(3.4)	(19.7)	(0.9)	(15.6)	(39.6)
EBITDA before non-recurring items	67.9	(7.1)	0.4	(20.1)	41.1
<i>EBITDA before non-recurring items margin</i>	<i>23.1%</i>	<i>(6.5%)</i>	<i>0.7%</i>		9.1%
Non-recurring items	(1.1)	(3.0)	-	(5.7)	(9.8)
EBITDA	66.8	(10.1)	0.4	(25.8)	31.3
Depreciation and amortisation	(7.9)	(14.5)	(1.2)	-	(23.7)
Impairment	(0.6)	-	-	-	(0.6)
Operating profit	58.3	(24.6)	(0.9)	(25.8)	7.1

REVENUE FROM CONTRACTS WITH CUSTOMERS:

Projects Cruise segment - products and services

Newbuilding cruise

The group delivers clean ship systems to shipyards for newbuild constructions which includes advanced wastewater purification, waste management and food waste processing.

Retrofit

Retrofit are deliveries of the groups advanced systems to shipowners for ships that are in operations.

Landbased segment - products and services

Heat treatment processes, furnaces

In 2022, Vow acquired C.H. Evensen. A specialist in energy efficient solutions for heat treatment processes, it develops, designs and fabricates industrial furnaces and equipment. C.H. Evensen is also a specialist in hot-dip galvanizing.

Biogreen

Biogreen is a patented pyrolysis process for converting biomass, plastics and waste into energy and useful products. The valorisation of waste is done with conversion into high value products such as biofuel, biochar and with conversion of plastics to electricity.

Safesteril

Safesteril is a patented sterilisation process for food and pharmaceutical ingredients.

Robotics

The group, through the ETIA subsidiary Ascodero, provide industrial robotics solutions including robotic systems for waste recycling processes.

Revenue from sales under Projects Cruise and Landbased segments are construction contracts that typically contain the following elements: Design and engineering, production and delivery, commissioning. Based on evaluation done by management, these elements are not considered as to be accounted for separately but as one performance obligation. The

construction typically consists of a design-phase (2-6 months), a procurement-phase (2-6months), an installation phase (1-2 months) and a commission phase (1-2 months). The construction process for newbuilding cruise vessels at the shipyards will normally be performed in phases over a 3-year period, meaning that our projects also will have a 3-year time span in total. For retrofit cruise projects the projects are normally completed within 9-12 months after the contract signing.

The sales in new building cruise to shipyards often include a series of contract for systems to be delivered for separate vessels. In these cases, assessments are made on if the contracts should be accounted for as a single contract, with a combined measure of progress. Contracts may also include options for additional deliveries, the transaction price for the optional deliveries tends to be similar with the price for the firm deliveries. Hence, no adjustments are made for the transaction price.

In determining the transaction price there may be are certain variable elements in the customer contracts related to time of delivery and specification of products that are assessed. These contractual elements have, based on historic prior deliveries, been considered as highly unlikely to occur or have effect on the consideration and have not affected the transaction price.

The payment terms for newbuilding cruise contracts are normally between 5-10% at contract signing, 80-90% at delivery of the equipment and 5-10% at commissioning/ compliance. In certain projects there could be a payment term of between 1-5% to be paid after two years when the warranty period expires. The financing components in contracts that this represents are not considered as significant. The assessments done by management on the variable elements in the consideration leads to that the transaction price is determined by the price set in the contracts.

The payment terms for retrofit cruise contracts has a higher share of payments at the time of contract signing, normally around 40%. This is also the case for the landbased projects through ETIA, which also normally has a 40% payment term at contract signing.

Revenue from sales under project and landbased segments are construction contracts that are recognised over time, as the deliveries are without alternative use, and the group has an enforceable right to payment for performance completed to date.

Revenue is recognized in accordance with percentage of completion where incurred costs to date is used as the input method. The use of incurred cost is considered by management to be the most useful measure of completion on the construction contracts.

Aftersales segment – products and services

Spare parts

All new installations come with an extensive list of recommended spare parts and critical spares where the group through our head office supply spares and consumables both to new and existing installations.

Chemicals

The group offer chemicals in our product lines which have been developed over years to ensure optimal process performance and cost-efficient operations of the systems delivered. Products are delivered direct to vessels sailing world-wide. Today the group provides chemicals to most of the groups systems in the cruise industry.

Work orders

Work orders are typically service - and maintenance performed by the service department in the group subsidiary Scanship Americas Inc based in the US. The group offers tailor-made service and maintenance programs to ensure the reliability and efficiency of the systems.

Revenue from the sale of goods (chemicals and spare parts) is recognised at a point in time which is at delivery to the customer.

Revenue reported as work orders is recognised in accordance with percentage of completion where incurred costs to date is used as the input method – following the principles as described for construction contracts.

Payment for spare parts and consumables are typically due within 30 days, work orders between 30 and 60 days.

Disaggregation of revenue from contracts with customers

2022 (Amounts in NOK million)	Projects Cruise	Landbased	Aftersales	Total
Major product groups				
Newbuilding cruise	322.2	-	-	322.2
Retrofit	36.3	-	-	36.3
Heat treatment processes, furnaces (C.H. Evensen)	-	46.0	-	46.0
Biogreen	-	196.1	-	196.1
Safesteril	-	35.8	-	35.8
Robotics	-	26.5	-	26.5
Spareparts	-	-	56.9	56.9
Chemicals	-	-	47.1	47.1
Work orders	-	-	15.8	15.8
Total revenue	358.6	304.3	119.9	782.8
Primary geographical markets¹⁾				
Norway	0.4	185.9	8.1	194.3
Europe	282.3	78.9	26.7	387.9
Outside of Europe	75.9	39.6	85.0	200.5
Total revenue	358.6	304.3	119.9	782.8
Timing of revenue recognition				
Services and goods transferred over time	358.6	304.3	15.8	678.7
Goods transferred at a point of time	-	-	104.1	104.1
Total revenue	358.6	304.3	119.9	782.8

1) Based on customer location.

2021 (Amounts in NOK million)	Projects Cruise	Landbased	Aftersales	Total
Major product groups				
Newbuilding cruise	263.0	-	-	263.0
Retrofit	31.2	-	-	31.2
Aquaculture	-	-	-	-
Biogreen	-	64.5	-	64.5
Safesteril	-	23.8	-	23.8
Robotics	-	19.8	-	19.8
Spareparts	-	-	25.2	25.2
Chemicals	-	-	14.4	14.4
Work orders	-	-	12.3	12.3
Total revenue	294.2	108.0	51.9	454.1
Primary geographical markets¹⁾				
Norway	2.1	35.8	3.8	41.6
Europe	259.1	37.8	9.1	306.0
Outside of Europe	33.0	39.7	33.8	106.4
Total revenue	294.2	108.0	51.9	454.1
Timing of revenue recognition				
Services and goods transferred over time	294.2	108.0	12.3	414.5
Goods transferred at a point of time	-	-	39.6	39.6
Total revenue	294.2	108.0	51.9	454.1

1) Based on customer location.

The group had 2 customers in 2022 and 2 customers in 2021 where the revenue individually is more than 10 per cent of group revenues.

Revenue share of total group revenues

	In NOK million		In per cent	
	2022	2021	2022	2021
Company 1	213.7	128.5	27.3%	27.0%
Company 2	105.8	62.5	13.5%	13.9%

Aftersales and Landbased segment does not have any customers where the revenue level exceeds 10 per cent of the group's revenue.

This is consistent with the order backlog of NOK 1 190 million. The backlog will be recognised as revenue of the next six years, where the most significant revenue recognition will occur over the next three years.

Aggregated amount of the transaction price allocated to the performance obligation that are partially or fully unsatisfied is NOK 1 190 million at year end 2022.

Assets related to contracts with customers

(Amounts in NOK million)	2022	2021
Trade receivables	192.1	122.3
Contract assets	339.2	195.0
Contract accruals	141.0	96.4

Contract assets consist of recognised revenue less payment received from customers.

NOTE 06 EMPLOYEE EXPENSE, REMUNERATION TO MANAGEMENT AND BOARD OF DIRECTORS AND SHARE OPTION PLAN

(Amounts in NOK million)	2022	2021
Salaries	142.7	105.9
Social security tax	19.7	15.0
Pension costs	7.3	5.2
Other benefits	5.9	4.5
Option program	1.7	2.4
Total employee expenses	177.4	133.0
Employee expenses recognised within cost of goods sold	(31.2)	(24.1)
Employee expenses capitalised as R&D	(19.5)	(18.2)
Total costs recognised as employee expenses	126.6	90.8
Full time equivalents	230.9	158.2

Remuneration to management and board of directors in 2022:

(Amounts in NOK million)	Title	Salaries	Pension	Other ¹⁾	Options	Total
Management						
Henrik Badin	Chief executive officer	2.7	0.1	0.2	0.0	2.9
Erik Magelssen	Chief financial officer	1.8	0.1	0.2	0.0	2.1
Henning Mohn	Chief regulatory officer	1.5	0.1	0.0	0.0	1.6
Asgeir Wien	Chief development officer	1.7	0.1	0.2	0.0	1.9
Bjørn Abraham Bache	Chief commercial officer	1.6	0.1	0.2	0.0	1.9
Jonny Hansen	Chief operating officer	1.9	0.1	0.3	0.0	2.3
Board of directors						
Narve Reiten	Chair	0.4	-	-	-	0.4
Susanne L. R. Schneider	Director	0.2	-	-	-	0.2
Bård Brath Ingerø	Director	0.3	-	-	-	0.3
Hanne Refsholt	Director	0.3	-	-	-	0.3
Total		12.3	0.4	1.1	0.2	14.0

¹⁾ Includes company car if applicable, insurances, electronic communication etc.

Management and board of directors have no agreements covering severance payment or bonus. No loans have been granted or guarantees pledged to management or board of directors. The management team is included in a share-based option plan.

Remuneration to management and board of directors in 2021:

(Amounts in NOK million)	Title	Salaries	Pension	Other ¹⁾	Options	Total
Management						
Henrik Badin	Chief executive officer	2.5	0.1	0.2	0.1	2.9
Erik Magelssen	Chief financial officer	1.6	0.1	0.1	0.1	1.9
Henning Mohn	Chief technology officer	1.4	0.1	0.0	0.1	1.6
Asgeir Wien	Chief development officer	1.6	0.1	0.1	0.1	1.9
Bjørn Abraham Bache	Chief commercial officer	1.5	0.1	0.2	0.1	1.9
Jonny Hansen	Chief operating officer	1.6	0.1	0.3	0.1	2.0
Board of directors						
Narve Reiten	Chair	0.4	-	-	-	0.4
Susanne L. R. Schneider	Director	0.2	-	-	-	0.2
Bård Brath Ingerø	Director	0.2	-	-	-	0.2
Hanne Refsholt	Director	0.2	-	-	-	0.2
Total		11.2	0.4	1.0	0.6	13.2

¹⁾ Includes company car if applicable, insurances, electronic communication etc.

The management and board of directors have no agreements covering severance payment or bonus. No loans have been granted or guarantees pledged to management or board of directors. The management team is included in a share-based option plan.

Pension

The companies in the group domiciled in Norway are required to have an occupational pension scheme in accordance with the Norwegian law of mandatory occupational pension (lov om obligatorisk tjenestepensjon). The group's pension scheme fulfills the requirements of that law.

The group's pension scheme covers all employees which are subject to these requirements. The scheme is based on a contribution plan.

The group has no other pension arrangements in place.

(Amounts in NOK million)	2022	2021
Service cost	6.9	4.8
Social security tax	0.4	0.4
Net pension costs	7.3	5.2

Share option plan

The group has a share option plan covering certain employees in senior positions. As of 31.12.2022, 6 employees in the group were included in the option programme, and due to the demerger of Vow Green Metals AS, additional 2 employees within Vow Green Metals AS have options with Vow ASA, respectively the CEO and CFO. Vow Green Metals cover the cost related to these options. The options vests yearly over three years.

In relation to the option programme, a total of 1 470 000 options were granted in 2019, a total of 450 000 options were

granted in 2021, and a total of 140 000 options were granted in 2022. 360 001 options from this programme were exercised in 2020, 380 000 options were exercised in 2021, and 201 001 options were exercised in 2022.

Method of settlement:

Options that have been exercised shall, in the discretion of the company, be settled by either:

- (i) the issuance by the company of new shares to the option holder
- (ii) the sale by the company of treasury shares to the option holder; or
- (iii) the transfer to the option holder of a NOK amount for each exercised option equal to the market price of the shares in the company less the exercise price.

The method of settlement is at the discretion of the company. The share option plan is therefor accounted for as an equity settlement.

Vesting requirements:

The options granted shall vest with 1/3 on the first anniversary of the grant date, 1/3 on the second anniversary of the grant date and 1/3 on the third anniversary of the grant date. Options held by an option holder do only vest if the option holder at the vesting date is employed by a company in the group and the employment is not in a notice period. The option programme has a term of three years plus a limited exercise period. Any option not exercised on or prior to the expiry date, shall terminate without any compensation being payable to the option holder.

Overview of outstanding options:

	2022	2021
Outstanding options 1 January	1 166 666	1 096 666
Options granted	140 000	450 000
Options forfeited	(66 667)	-
Options exercised	(201 001)	(380 000)
Options expired	(448 998)	-
Outstanding options 31 December	590 000	1 166 666
Of which are exercisable	590 000	1 166 666

Equity transaction

During 2020, 360 001 of the outstanding options were exercised. The transactions was settled by issuing 360 001 new shares, by a capital increase of NOK 36 000, at the exercise price of NOK 17.90. Following the issuance of new shares, the issued share capital of Vow ASA was 10 925 987. Consisting of 109 259 870 shares, each with a par value of NOK 0.10.

During 2021, 380 000 of the outstanding options were exercised. The transactions were settled by issuing 380 000 new shares, by a capital increase of NOK 35 530, at the exercise price of NOK 16.74. Following the issuance of new shares, the issued share capital of Vow ASA was NOK 10 718 827. Consisting of 114 639 870 shares, each with a par value of NOK 0.0935.

During 2022, 201 001 of the outstanding options were exercised. The transactions was settled by issuing 201 001 new shares, by a capital increase of NOK 18 794, at the exercise price of NOK 16.74. Following the issuance of new shares, the issued share capital of Vow ASA was NOK 10 737 621. Consisting of 114 840 871 shares, each with a par value of NOK 0.0935.

The outstanding options are subject to the following conditions:

Expiry date	Average strike price	Number of share options
28.09.2023	29.55	100 000
30.06.2024	33.79	350 000
30.06.2024	21.00	140 000
Total		590 000

The fair value of the options has been calculated using Black & Scholes option-pricing model.

The calculations are based on the following assumptions:

Share price on the grant date

The share price is set to the stock exchange price on the grant date.

The strike price per option

The strike price is the share price on the grant date.

Volatility

It is assumed that historic volatility of comparable shares is an indication of future volatility. The expected volatility is therefore stipulated to be the same as the historic volatility, which equals a volatility of 40.0 per cent.

The term of the option

It is assumed that 100 per cent of the employees will exercise the options once they are exercisable.

100 000 granted options in 2021 expires 28.09.2023.

350 000 granted options in 2021 expires 30.06.2024.

140 000 granted options in 2022 expires 30.06.2024.

Dividend

The estimated dividend per share is NOK 0 per annum.

Risk-free interest rate

The risk-free interest rate is set equal to a weighted average calculation of interest rate on government bonds during the term of the option, and is set at 2.31 per cent at year-end 2022.

Costs for transactions, listing and strategic processes.

Non-recurring items

The group has incurred costs of a non-recurring nature of NOK 6.7 million in 2022. These are costs primarily related to the acquisition of C. H. Evensen. In 2021 the group incurred

costs of NOK 9.8 million related the demerger and stock exchange listing process for Vow Green Metals AS and costs related to strategy processes and organisational build-up in the preparation for future growth.

NOTE 08 INVENTORIES

Inventories include:

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Cost of goods (at cost) ¹⁾	54.6	18.0
Total inventories at cost	54.6	18.0

1) Inventory is used both for input in construction contracts (raw materials) and for Aftersales.

NOTE 09 TRADE RECEIVABLES

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Gross trade receivables	194.7	124.8
Allowance for doubtful debts	(2.6)	(2.5)
Net trade receivables	192.1	122.3

Trade receivables are non-interest bearing and generally on 30-60 day terms.

It is considered that there is no impairment on trade receivables in 2022. The group has close on-going contact with and good knowledge of the customers. The trade receivables are reviewed regularly and evaluated for possible impairment.

The allowance for doubtful debts primarily relates to accruals made in the opening balance sheet for the ETIA group.

As of 31 December, the aging analysis of trade receivables is as follows:

(Amounts in NOK million)	Total	Neither past due nor impaired	Past due but not impaired			
			<30 days	30-60 days	61-90 days	> 90 days
31 December 2022	192.1	106.4	18.6	13.3	(4.2)	58.0
31 December 2021	122.3	27.1	33.1	19.4	5.5	37.2

There are no disputes on the total amounts past due 60 days, but as noted above, for 2022 the group has an allowance for doubtful debts primarily related to the opening balance sheet for the ETIA group.

The group has a credit risk insurance agreement ("kreditforsikring") related to trade receivables, that reduces the ultimate credit risk, with both Tryg Garanti and Allianz Trade.

NOTE 07 OTHER OPERATING EXPENSES, REMUNERATION TO AUDITOR AND COSTS FOR DEMERGER, LISTING AND STRATEGIC PROCESSES

Other operating expenses include:

(Amounts in NOK million)	2022	2021
Travel expenses	9.4	5.8
Lease expenses	8.1	7.2
Consultants and other fees, expenses	43.8	17.5
Other office expenses	11.8	6.0
Insurance fees	3.8	3.2
Total	76.8	39.6

Remuneration to auditor is allocated as specified below:

(Amounts in NOK million)	2022	2021
Statutory audits	2.3	1.6
Other assurance services	0.4	0.5
Total excl. VAT	2.6	2.1

NOTE 10 OTHER RECEIVABLES AND PREPAYMENTS

Other receivables include:

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
VAT receivable	24.6	10.5
Prepaid expenses and other items	45.1	26.5
Receivables "Skattefunn"/tax benefits	15.9	10.3
Subsidies ¹⁾	2.4	3.7
Other items	13.5	9.0
Total	101.5	60.0

1) Subsidies relate to a R&D specific project delivered by the subsidiary Ascodero Robotics S.A.S in partnership with a French industrial player. The project involves the delivery of high-tech robotics to produce and create materials in need of enhanced qualities in regards to strength and weight. The project is subsidised by the French region Haut de France.

NOTE 11 CASH AND CASH EQUIVALENTS

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Bank deposits	42.5	141.1
Total cash and cash equivalents	42.5	141.1
Of this:		
Restricted cash for withheld taxes from employees salaries	5.5	3.3

NOTE 12 SHARE CAPITAL AND SHAREHOLDER INFORMATION

	31 Dec 2022	31 Dec 2021
Number of outstanding shares at 1 January	114 639 870	109 259 870
Number of outstanding shares at 31 December	114 840 871	114 639 870
Nominal value NOK per share at 31 December	0.0935	0.0935
Share capital NOK at 31 December	10 737 621	10 718 828

Vow ASA has one class of shares with equal rights of all shares.

Share issue in 2022

A total number of 201 001 employee stock options were exercised at NOK 16.74 per share in September 2022. The exercised employee stock options generated net proceeds of NOK 3.4 million. The new share capital was registered in the company register on 20th October 2022, and the total number of outstanding shares following the issue was 114 840 871 shares.

Dividend

The group did not pay out dividend in 2022.

Largest shareholders of Vow ASA > 1%: 31 December 2022

Name	Number	% Share
Ingerø Reiten Investment Company AS ¹⁾	31 145 000	27.1%
Daler Inn Limited ³⁾	10 000 000	8.7%
Exproco Limited ⁴⁾	9 960 000	8.7%
Badin Invest Limited ²⁾	9 900 000	8.6%
Clearstream Banking S.A.	4 551 162	4.0%
Trethom AS ⁵⁾	3 362 222	2.9%
Fondsavanse AS	3 000 000	2.6%
BNP Paribas	2 516 514	2.2%
State Street Bank and Trust Comp	2 002 563	1.7%
Avanza Bank AB	1 261 315	1.1%
Total	77 698 776	67.7%

1) Ingerø Reiten Investment Company AS is owned by the chairman of the board Narve Reiten (65%), and board member Bård Brath Ingerø (35%).
 2) Henrik Badin owns shares privately and through his holding company Badin Invest Limited.
 3) Asgeir Wien owns shares through his holding company Daler Inn Limited.
 4) Jonny Hansen owns shares privately and through his holding company Exproco Limited.
 5) Eigel Ingvar Thom has full ownership of Trethom AS, and holds a total ownership, direct and indirect, of 3.5 per cent of the shares.

Number of shares owned by group management and board of directors:

Name	Number of shares in	% Share
Ingerø Reiten Investment Company AS ¹⁾	31 145 000	27.12%
Henrik Badin (CEO) ²⁾	9 973 333	8.68%
Asgeir Wien (CDO) ³⁾	10 000 000	8.71%
Jonny Hansen (COO) ⁴⁾	10 040 000	8.74%
Henning Mohn (CRO)	145 000	0.13%
Erik Magelssen (CFO)	73 334	0.06%
Bjørn Abraham Bache (CCO)	25 217	0.02%
Total	61 401 884	53.5%

1) Ingerø Reiten Investment Company AS is owned by the chairman of the board Narve Reiten (65 per cent), and board member Bård Brath Ingerø (35 per cent).
 2) Henrik Badin owns shares privately and through his holding company Badin Invest Limited.
 3) Asgeir Wien owns shares through his holding company Daler Inn Limited.
 4) Jonny Hansen owns shares privately and through his holding company Exproco Limited.

NOTE 13 BORROWING

Long-term borrowing

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Other long-term interest-bearing debt	186.2	233.1
Conditional loans related to R&D (ETIA)	6.8	7.4
Balance 31 December	192.9	240.4

Short-term borrowing

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Other short term interest-bearing debt	191.0	39.8
Convertible loan	28.5	-
Balance 31 December	219.5	39.8

In June 2021, Vow ASA secured NOK 320 million in long-term financing from DNB ASA, establishing a strong financial foundation for further innovation and project development in land-based industries. The financing arrangement consists of a NOK 170 million term loan facility and a NOK 150 million revolving credit facility (RCF), both classified as “green financing” at attractive terms, and within the DNB Sustainable Product Framework. This framework includes a verification by DNV, the assurance and risk management company, and is based on the international Green Loan Principles (GLP).

During 2022, Vow ASA repaid NOK 18.2 million of the NOK 170 million term loan with DNB, leaving the principal loan amount drawn to NOK 151.8 million per 31 December 2022. The RCF facility was drawn with NOK 135 million as per 31 December 2022.

The group has loans with DNB with a total balance of NOK 324 million, of which NOK 37.2 million is the remaining balance related to the acquisition of ETIA in 2019. Scanship has loan with Innovasjon Norge with a balance of NOK 15 million. The group has NOK 191 million classified as short-term borrowing as of 31 December 2022.

Bank overdraft / trade finance facility:

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Bank overdraft facility	26.1	(9.2)
Trade finance facility	35.3	11.2
Balance 31 December	61.4	2.1

Scanship AS has a bank overdraft facility with a limit of NOK 65 million, as well as a trade finance facility with limit of NOK 40 million, in total NOK 105 million. The interest rate for the bank overdraft facility is currently NIBOR 1M + 2.2% p.a.

C.H. Evensen has drawn NOK 7.7 million bank overdraft facility with a limit of NOK 10 million.

Covenants

Vow ASA has the following covenants for loans, bank overdraft and trade finance facility in DNB ASA, which are relevant to measure as of 31 December 2022:

- Debt Service Coverage Ratio (DSCR) to be > 1,3x (1,7x per 31 December 2022)
- Minimum equity ratio of 35 per cent of total assets (37 per cent at 31 December 2022)
- NIBD/EBITDA ratio not to exceed 4x (3,6x per 31 December 2022)
- Any additional loans raised in the Group to be approved by DNB ASA

The Vow group is not in breach with the covenants as of 31 December 2022.

Mortgages

Book value of assets securing the bank loan and overdraft facility:

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Property, plant and equipment	43.9	22.3
Inventory	54.6	18.0
Trade receivables	192.1	122.3
Total value of assets pledged	290.6	162.6

Reconciliation of liabilities from financing activities

(Amounts in NOK million)	Borrowings	Bank overdraft and trade finance facility	Leasing liabilities	Total
At 1 January 2022	280.3	2.1	25.1	307.5
Proceeds from borrowings	149.2	-	-	149.2
Repayment of borrowings	(47.9)	-	-	(47.9)
Payment of lease liabilities	-	-	(12.8)	(12.8)
Net use of bank overdraft and trade finance facility	-	59.4	-	59.4
Interests paid	-	(0.1)	1.0	0.9
Total	381.5	61.4	13.3	456.2
Non-cash changes				
New leasing contracts	-	-	23.5	23.5
Effect of exchange differences	2.4	-	0.7	3.1
Total non-cash changes	2.4	-	24.2	26.6
At 31 December 2022	384.0	61.4	37.5	482.8

(Amounts in NOK million)	Borrowings	Bank overdraft and trade finance facility	Leasing liabilities	Total
At 1 January 2021	132.3	14.8	17.8	164.9
Proceeds from borrowings	174.0	-	-	174.0
Repayment of borrowings	(26.0)	-	-	(26.0)
Payment of lease liabilities	-	-	(8.6)	(8.6)
Net use of bank overdraft and trade finance facility	-	(12.7)	-	(12.7)
Interests paid	-	(0.1)	-	(0.1)
Total	280.3	2.1	9.2	291.5
Non-cash changes				
Business combination	-	-	16.2	16.2
Effect of exchange differences	-	-	(0.2)	(0.2)
Total non-cash changes	-	-	16.0	16.0
At 31 December 2021	280.3	2.1	25.1	307.5

NOTE 14 CONVERTIBLE LOAN

A part of the settlement of the purchase price for C H Evensen in 2022 was a Vendor Note of NOK 25 million to the Seller to be settled 14 months after the closing date. The Vendor note is interest free and include a right for the Seller to demand settlement in Vow shares listed on the Oslo Stock Exchange for NOK 25 per share. The Vendor note has been valued at NOK 28.3m, which is the sum of i) the net present value of future payments, and ii) the fair value of the conversion rights.

The vendor note was recognised at fair value at the transaction date, for both the principal and the conversion right. Subsequently, the principal was measured at amortised cost and the conversion rights were measured at fair value as follows:

- The vendor note was discounted using an applied market interest rate to reflect the net present value.
- The conversion right was measured at fair value using an option pricing model.
- Furthermore, the parties have agreed that a possible additional price/ reduction up to NOK 10m is triggered depending on how the seller manages to meet given criteria in the ongoing building process of a Biocarbon reactor, referred to as “The Large Solution”. The additional price is to be settled by the purchaser in cash or in Vow shares within 14 months after closing date. In case of settlement in shares, each Vow share shall represent a price equal to VWAP per Vow share calculated based on the last 5 days before share subscription. The possible additional price has been valued to NOK 210k by discounting the management’s expected outcome to present value.

NOTE 15 OTHER CURRENT LIABILITIES

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Public duties payable	12.5	7.9
Prepayments from customers	12.7	53.3
Accrued holiday pay and remuneration	16.4	10.7
Short term loan – related parties (ETIA) ¹⁾	0.3	0.3
Other payables and accruals for incurred costs	3.1	0.7
Total	44.9	72.9

1) See note 17.

NOTE 16 EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit for the year attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on exercise of the share options into ordinary shares, plus the weighted average number of treasury shares.

Diluted EPS is calculated by dividing the profit attributable to the ordinary equity holders of the parent by the weighted

The following table reflects the income and share data used in the basic and diluted EPS computations:

	2022	2021
Profit for the year (NOK million)	14.4	323.4
Weighted average number of shares outstanding ¹⁾	113 922 961	113 238 936
Effects of dilution from:		
Share options	1 071 616	1 545 928
Convertible loan	1 000 000	750 000
Weighted average number of shares adjusted for the effect of dilution¹⁾	115 994 577	115 534 864
Earnings per share (NOK per share):		
- Basic	0.13	2.86
- Diluted	0.12	2.80

1) The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year.

NOTE 17 TRANSACTIONS WITH RELATED PARTIES

The Consolidated Financial Statement is prepared for Vow ASA as the ultimate parent. Vow ASA is the owner, direct or indirect, of 100 per cent of the shares in Scanship AS, Scanship Americas Inc., Scanship Poland Sp z o.o., Vow Industries AS, ETIA Ecotechnologies S.A.S and C. H. Evensen Industriovner

AS. In addition, Scanship AS has 70 per cent ownership in CHX Maritime Inc. and 50.1 per cent ownership in Vow Automation AS. See section (c) for total overview.

(a) Purchases:

(Amounts in NOK million)			2022	2021
By	Purchase of services from	Description of services		
ETIA Ecotechnologies S.A.S	LCFI S.A.S ¹⁾	Management/consultancy	-	2.9
ETIA Ecotechnologies S.A.S	SCFI S.A.S ²⁾	Management/consultancy	2.5	2.6
ETIA Ecotechnologies S.A.S	LSI S.A.S ³⁾	Property rental/lease	1.2	1.2
Total			3.7	6.7

1) LCFI S.A.S is wholly owned by Mr Olivier Lepez, co-founder of ETIA Ecotechnologies S.A.S

2) SCFI S.A.S is wholly owned by Mr Philippe Sajet, co-founder of ETIA Ecotechnologies S.A.S.

3) LSI S.A.S is equally owned by Mr Olivier Lepez and Mr Philippe Sajet.

Transactions from LCFI S.A.S and SCFI S.A.S relates to work performed by co-founder and CEO of ETIA group Olivier Lepez and co-founder and CTO Philippe Sajet. The transactions are based on a fixed rate according to agreements, and allocated

to "Salary expenses" in the P&L. LSI S.A.S is the owner of the office and warehouse facilities ETIA Ecotechnologies rents, and is recognised as an item under IFRS 16. See further information regarding IFRS 16 in note 24 Leases.

(b) Sales:

(Amounts in NOK million)			2022	2021
By	Sale to	Description		
ETIA Ecotechnologies S.A.S	LCFI S.A.S	Management/consultancy	0.1	-
ETIA Ecotechnologies S.A.S	SCFI S.A.S	Management/consultancy	0.1	-
Scanship AS	Vow Green Metals AS ¹⁾	Consultancy service	0.4	0.1
Vow ASA	Vow Green Metals AS ¹⁾	Intangible assets	-	1.0
Scanship AS	Vow Green Metals AS ¹⁾	Process equipment	36.9	35.8
Total			37.6	36.9

1) Vow Green Metals AS is an associated to Vow ASA with a shareholding of 30.4 per cent in the company.

The group have entered into a contract with Vow Green Metals AS for delivery of process equipment for the Follum project. According to which the group will deliver process equipment and engineering support to Vow Green Metals' biocarbon plant at Follum in Norway. Gross margin from process equipment delivery is eliminated proportionally to the group shareholding

in the company. The elimination is included as share of net profit from associated company under financial items. See note 18 for more information. The group also delivers consultancy service to Vow Green Metals AS. The services comprise accounting, IT and administration services.

(c) Balance with related parties:

(Amounts in NOK million)		31 Dec 2022	31 Dec 2021
Receivable in			
Scanship AS	Vow Green Metals AS	0.5	38.1
Vow ASA	Vow Green Metals AS	1.0	1.0
Total receivables from related parties		1.5	39.0
Liabilities in			
ETIA Ecotechnologies S.A.S	LSI S.A.S	0.1	-
ETIA Ecotechnologies S.A.S	SCFI S.A.S	0.1	0.3
Total liabilities to related parties		0.3	0.3

Liabilities toward related parties are not interest bearing.

(d) Overview of subsidiaries:

The following subsidiaries are included in the consolidated financial statements:

Company	Date of acquisition/ Incorporation	Country of incorporation	% equity and voting share
Scanship Americas Inc.	01.12.2008	USA	100%
Scanship Canada Inc. ¹⁾	14.07.2011	Canada	100%
Scanship AS	01.03.2007	Norway	100%
Scanship Poland Sp z o.o.	12.08.2014	Poland	100%
CHX Maritime Inc. ²⁾	06.07.2015	USA	70%
ETIA Ecotechnologies S.A.S	15.10.2019	France	100%
Ascodero Productique S.A.S	15.10.2019	France	93%
Biogreen Africa S.A.S	15.10.2019	France	57%
Vow Industries AS	07.11.2019	Norway	100%
C. H. Evensen Industriovner AS	30.03.2022	Norway	100%
Vow Automation AS	15.07.2022	Norway	50.1%

1) The company is under liquidation.

2) The company's main objective is to develop an exhaust gas management system.

Remuneration to management and board of directors: See note 6.

NOTE 18 INVESTMENT IN ASSOCIATE COMPANY

The concept, design and business plan for developing a plant producing biocarbon using pyrolysis technology was demerged from Vow ASA into Vow Green Metals (VGM) in 2021. Shares in VGM was distributed to the shareholders of Vow ASA. The transaction was considered as distribution of assets other than cash as dividends to its owners (IFRIC 17). Fair value of VGM at the point of demerger was NOK 492 million and carrying value set at NOK 150 million, giving a fair value gain of the consideration shares distributed to the shareholders in Vow ASA at NOK 341.6 million. The gain of NOK 341.6 million was recorded as income under financial items in 2021.

Following the demerger on 9 July 2021, Vow ASA holds 30.4 per cent of the shares in VGM and recognises it as an associate company which is accounted for using the equity method in the consolidated financial statements. The investment was recognised at fair value at inception and are subsequently adjusted for share of profits and potential dividends from VGM. The group's share of profit or loss from the associate company is included in profit or loss under financial items.

The following table illustrates the summarised financial information of the group's investment in Vow Green Metals:

(Amounts in NOK million)	2022	2021
Current assets	43.6	69.4
Non-current assets	88.1	74.9
Current liabilities	(5.6)	(3.0)
Non-current liabilities	(0.2)	(0.1)
Equity	125.9	141.2
Group's share in equity – 30.4%	38.2	43.0
Goodwill	82.2	99.6
Group's carrying amount of the investment	120.5	142.6

(Amounts in NOK million)	2022	2021
Administrative expenses	(17.4)	(10.7)
Finance income	0.3	-
Finance costs	(0.0)	(0.0)
Profit before tax	(17.1)	(10.7)
Income tax expense	-	-
Profit for the year	(17.1)	(10.7)
Total comprehensive income for the year	(17.1)	(10.7)
Group's share of profit for the year, incl. eliminated internal gain effects	(22.1)	(7.4)

VGM was listed on Oslo Stock Exchange 12 July 2022.

NOTE 19 TAX

Specification of income tax:

(Amounts in NOK million)	2022	2021
Income tax payable	(3.0)	-
Change in deferred tax	10.9	(1.0)
Total income tax expenses	7.9	(1.0)

Specification of temporary differences and deferred tax:

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Property, plant and equipment	(14.0)	(14.4)
Intangibles	32.2	-
Construction contracts	551.9	339.8
Deferred income	(16.8)	-
Other items	(0.3)	(0.1)
Receivables	(0.3)	(0.3)
Leasing	(1.4)	2.8
Tax loss carryforward	(401.8)	(227.1)
Total temporary differences	149.5	100.8
Not recognised tax loss carry forward	21.5	8.4
Total basis for deferred tax	171.0	109.2
Net deferred tax liability (22%)	37.6	24.0

Reconciliation of effective tax rate:

(Amounts in NOK million)	2022	2021
Profit before income tax	22.3	322.3
Expected income tax assessed at the tax rate for the parent company (22%)	4.9	70.9
Adjusted for tax effect of the following items:		
Permanent differences	5.5	(72.6)
Unrecognised deferred tax assets	2.9	0.7
Tax refund from previous years	(3.0)	-
Deferred taxes acquired in business combinations	(2.3)	-
Currency translation effects	(0.1)	-
Total income tax expenses	7.9	(1.0)

NOTE 20 PROPERTY, PLANT AND EQUIPMENT

2022:	
<i>(Amounts in NOK million)</i>	
	Office, furniture and equipment
Cost:	
At 1 January 2022	43.3
Additions	18.0
Additions from business combination	16.9
Disposals	-
Translation difference	0.8
At 31 December 2022	79.0
Depreciation and impairment:	
At 1 January 2022	(21.0)
Additions	(9.5)
Depreciation this year	(4.6)
At 31 December 2022	(35.1)
Carrying amount at 31 December 2022	43.9
Useful life	3-10 years
Depreciation method	Linear

2021	
<i>(Amounts in NOK million)</i>	
	Office, furniture and equipment
Cost:	
At 1 January 2021	34.5
Additions	9.4
Disposals	-
Translation difference	(0.7)
At 31 December 2021	43.3
Depreciation and impairment:	
At 1 January 2021	(15.3)
Depreciation this year	(5.7)
At 31 December 2021	(21.0)
Carrying amount at 31 December 2021	22.3
Useful life	3-10 years
Depreciation method	Linear

NOTE 21 INTANGIBLE ASSETS

The group has several different ongoing development projects developing waste to energy-, waste- and waste water solutions, in order to strengthen the competitiveness and meet the new and stricter requirements and new industry standards.

A significant part of the product development cost consists of working hours performed by Vow's own employees.

2022:				
<i>(Amounts in NOK million)</i>				
	Software	R&D	Technology	Goodwill
Cost:				
At 1 January 2022	7.8	223.6	34.1	137.8
Additions	14.1	85.1	-	-
Additions from business combination	-	0.2	9.8	34.2
Translation difference	-	4.3	1.2	7.2
At 31 December 2022	21.9	313.3	45.0	179.3
Amortisation and impairment:				
At 1 January 2022	0.0	(25.1)	(7.8)	-
Amortisation	(1.6)	(8.8)	(3.5)	-
Impairment	-	0.7	-	-
At 31 December 2022	(1.6)	(34.5)	(11.3)	-
Carrying amount at 31 December 2022	20.3	278.8	33.7	179.3
Useful life	7 years	3-15 years	10 years	
Depreciation method	Linear	Linear	Linear	

2021:				
<i>(Amounts in NOK million)</i>				
	Software	R&D	Technology	Goodwill
Cost:				
At 1 January 2021	-	146.3	34.5	144.5
Additions	7.8	78.0	0.9	-
Translation difference	-	(0.7)	(1.3)	(6.7)
At 31 December 2021	7.8	223.6	34.1	137.8
Amortisation and impairment:				
At 1 January 2021	-	(17.8)	(4.3)	-
Amortisation	-	(6.7)	(3.5)	-
Impairment	-	0.6	-	-
At 31 December 2021	-	(25.1)	(7.8)	-
Carrying amount at 31 December 2021	7.8	198.6	26.3	137.8
Useful life	7 years	3-15 years	10 years	
Depreciation method	Linear	Linear	Linear	

Additions consist of internally developed intangible assets and purchase of goods and services related to the internally developed intangibly assets. As of 31 December 2022, NOK 157.0 million of carrying amount are still under development, while NOK 151.6 million is related to finalised projects which are subject to amortisation. Funding from "Skattefunn" has reduced the total cost with NOK 9.2 million, while funding from "Innovasjon Norge" and EU have both reduced the total cost with NOK 12.4 million (NOK 21.6 million combined).

Goodwill and intangible assets with indefinite useful lives
Goodwill of 179.3 million acquired through business combination is included in the Landbased CGU for impairment testing purposes. Landbased is also an operating segment.

The group performs a test for impairment in January each year. Each quarter the group assesses whether there are any indications of impairment. The relationship between the group market

capitalisation and its book value is among the factors considered when reviewing for indicators of impairment. In 2022 the market capitalisation of the group exceeded the book value of its equity. The overall market conditions also improved during the period by among other factors discontinuing pandemic restrictions and increased focus on sustainable solutions.

The recoverable amount of the CGUs as at 31 December 2022 has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering five years. The projected cash flows have been updated to reflect the current development of demand for products and services provided by the CGU.

The recoverable amount of the Landbased CGU is 3.6 billion as at 31 December 2022. The pre-tax discount rate applied to cash flow projections is 20.0 per cent (2021: 19.5 per cent) and cash flows beyond the five-year period are extrapolated using an exit

multiple of 10x (2021: 10x). It was concluded that the value in use exceeds the carrying amount and management did not identify an impairment for this CGU.

One project has been recorded for impairment in 2022, and one was impaired in 2021. The Covid-19 pandemic has not had any direct impact on the calculations.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

The calculation of value in use for both electronic and fire prevention equipment units is most sensitive to the following assumptions:

- Unit sales, sales price, and gross margin
- Discount rates
- Growth rates used to extrapolate cash flows beyond the forecast period

Climate-related matters – The group constantly monitors the latest government legislation in relation to matters related to climate. No such legislation has currently been passed that will have a negative impact on the group. The group will adjust the key assumptions used in value-in-use calculations and sensitivity to changes in assumptions should a change be required.

Unit sales, sales price, and gross margin - Both unit sales, sales price, and gross margin are affected by demand and market circumstances. The combination of managements' in-depth knowledge of the current development in these factors and calculated average values achieved over preceding periods are used as the basis for the value in use calculation. The gross margins for the Landbased CGU applied in the forecast model do not exceed 40 per cent. Decreased demand can lead to a decline in the gross margin.

Discount rates – The discount rate is derived from the group's internal rate of return (IRR) and corresponds to WACC. The discount rate represents the current market assessment of the risks identified, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on specific circumstances of the group and its operating segments.

The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the group's investors. The cost of debt is based on the interest-bearing borrowings the group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Growth estimate - The growth rate is based on industry knowledge and external and internal factors. The management expects strong growth but recognises that the speed of technological change and the possibility of new entrants can have an impact on growth rate assumptions.

A sensitivity analysis has been performed to determine if a reasonable change in key assumptions would cause the carrying amount to exceed the recoverable amount. The group has not identified the need for impairment, as the recoverable amount exceeds the carrying amount by significant margins. With an increased discount rate by 5 percentage points and/ or a reduction in the EBITDA terminal value by 10 per cent, the recoverable amount still exceeds the carrying amount with a significant margin.

A decrease in the gross margin by 5.0 per cent would not result in impairment in the Landbased CGU.

NOTE 22 FINANCE INCOME AND COSTS

Finance income:

(Amounts in NOK million)	2022	2021
Interest income	0.2	0.1
Foreign exchange gain	25.0	11.3
Gain from demerger of Vow Green Metals AS operations ¹⁾	-	341.6
Gain on FX derivatives	-	1.9
Total finance income	25.2	355.0

Finance costs

Interest expense	16.6	10.9
Foreign exchange loss	16.5	20.8
Interest expense - leasing ²⁾	1.0	0.4
Other financial cost	0.1	0.2
Share of net profit from associated company ¹⁾	22.1	7.4
Total finance costs	56.3	39.7

Net financial items	(31.1)	(315.3)
----------------------------	---------------	----------------

- 1) Gain on demerger of Vow Green Metals AS and share of net profit from associate, see further information in note 18 Investment in associate company.
 2) Interest expense - leasing, see further information in note 24 Leases.
 3) The forward currency contracts are mark-to-market, based on an external valuation provided by the contractual counterpart. The contracts are valued using option pricing techniques, which employ the use of various inputs including foreign exchange spot and forward rates, the time to maturity and volatility.

The group uses forward currency contracts to reduce the currency exposure on sales in EUR. See note 23 for discussion of currency risk. The group does not apply hedge accounting

for its derivative contracts, hence the contracts are measured at fair value through profit and loss. The group did not have currency forward contracts as of 31.12.22.

NOTE 23 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

(Amounts in NOK million)	Category	31 Dec 2022	31 Dec 2021
Financial assets:			
Trade receivables	Fair Value through profit and loss	192.1	122.3
Other receivables ¹⁾	Fair Value through profit and loss	101.5	60.0
Cash and cash equivalents	Fair Value through profit and loss	42.5	141.1
Total financial assets		336.1	323.4
Financial liabilities:			
Long term borrowings	Financial liabilities measured at amortised cost	192.9	240.4
Non-current lease liabilities	Financial liabilities measured at amortised cost	25.3	11.0
Current borrowings	Financial liabilities measured at amortised cost	191.0	39.8
Trade creditors	Financial liabilities measured at amortised cost	177.8	72.9
Convertible loans	Fair Value through profit and loss	28.5	-
Bank overdraft facility	Financial liabilities measured at amortised cost	18.3	(9.2)
Trade finance facility	Financial liabilities measured at amortised cost	43.1	11.2
Current lease liabilities	Financial liabilities measured at amortised cost	12.2	14.1
Other current liabilities ²⁾	Financial liabilities measured at amortised cost	44.9	72.9
Total financial liabilities		705.5	453.3

All amounts in the table are booked values.

- 1) VAT receivable and prepaid expenses are excluded since they are not defined as financial instruments.
 2) See note 15.

(b) Fair value of financial instruments

The carrying amount of trade receivables, other receivables and cash and cash equivalents are approximately equal to fair value since these instruments have a short term maturity. Similarly, the carrying amount of trade creditors and other current liabilities are approximately equal to fair value since the effect of discounting is not significant. Fair value of the bank overdraft facility and Trade credit facility with DNB ASA is equal to the book value since a floating interest is agreed.

(c) Financial risk

The most significant financial risks which affect the group are listed below. The management performs a continuous evaluation of these risks and determines policies related to how these risks are to be handled within the group.

During the period 2020 -2022, the corona pandemic (Covid-19) has created increased uncertainty and a disruption to the global economy. The situation also impacts the various risk factors that the Vow group is exposed to, including, but not limited to, the market risk and liquidity risk.

d) Credit risk

Carrying amounts of financial assets presented above represents the maximum credit exposure. The group is mainly exposed to credit risk related to trade receivables. The customers are basically large cruise ship owners and shipyards in Europe with satisfactory credit history. The credit risk is mainly related to newbuilding contracts where a few yards are counterpart. This is increasing the credit risk. However, due to nature of newbuilding financing the management considers the overall risk of loss on receivables to be relatively low. The group has not provided any guarantees for third parties' liabilities. The group has entered into a credit risk insurance agreements ("kredittforsikring") on its trade receivables with two different Nordic insurance companies, Tryg Garanti and Allianz Trade. These agreements covers the

potential losses incurred by Scanship AS on its trade receivables, subject to certain restrictions, and reduces the ultimate credit risk for the group substantially. In addition, the group entered into a NOK 15.0 million trade finance facility during 2018, and extended the trade finance facility to NOK 40 million during 2022. The insurance agreement and trade finance facility is an additional risk mitigating factor. See note 9 for information about the aging analysis of trade receivables.

e) Liquidity risk

Liquidity risk is the risk of being unable to pay financial liabilities as they fall due. The liquidity risk for the group is primarily related to the timing of the payment on its trade receivables from the shipyards in Europe on the Newbuild projects. Certain of the shipyards exercises longer payment terms than other shipyards. Scanship has a close and on-going contact with all its shipyard customers, and have had so for many years. Managing this relationship is one of the key factors for Scanship in the daily management of its liquidity risk. Historically, Scanship has had very limited losses on its accounts receivable. So even though the payments from the shipyards in certain periods have been delayed beyond the agreed credit term, they have historically always paid their liabilities. Scanship also has a certain flexibility in its own supplier base, whereby longer payment terms sometimes are agreed with suppliers in periods were the payments are delayed from the customers. Management of the liquidity risk is a prioritised task by Scanship management.

The group also has relatively higher liquidity risk on Newbuild projects as the group receives payments late in the projects, as compared to Retrofit projects, where the group receives payments after meeting certain milestones. Although the milestones are setup to enable a positive net cashflow on the projects, a delay in the retrofit projects will naturally also increase the liquidity risk.

f) Foreign exchange rate risk

The group is exposed to foreign exchange rate risk related to the value of NOK relative to other currencies, both through ownership of foreign companies (see note 17) and through sales in different currencies than the nominal currency (NOK). Mitigation of exchange rate risk in cash flows nominated in other currencies than NOK is done through derivative instruments against specific construction contracts from time to time, where the net exposure of revenue/purchase are secured.

Exchange rate risk related to the specific group company is assessed as low as the margin remains independent of currency fluctuations. See also note 2.4.

g) Interest rate risk

The interest rate on the long term bank loan, overdraft and trade credit facilities are floating. Hence, the group has an exposure to interest rate fluctuations. The group does not have any interest rate derivatives.

Capital management

For the purpose of the group's capital management, capital includes issued capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the group's capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

NOTE 24 LEASES

Right of use assets 2022:

(Amounts in NOK million)	Properties	Equipment	Cars	Total
At 1 January 2022	18.4	3.6	2.9	24.9
Additions	17.2	6.2	0.0	23.4
Depreciation	(8.9)	(3.3)	(0.8)	(13.1)
Effect of currency exchange differences	0.8	0.0	-	0.8
Carrying amount at 31 December 2022	27.5	6.5	2.1	36.1

Right of use assets 2021:

(Amounts in NOK million)	Properties	Equipment	Cars	Total
At 1 January 2021	14.0	1.3	2.6	17.9
Additions	12.3	2.7	1.2	16.2
Depreciation	(6.7)	(0.4)	(0.9)	(7.9)
Effect of currency exchange differences	(1.2)	(0.0)	-	(1.2)
Carrying amount at 31 December 2021	18.4	3.6	2.9	24.9

Set out below are the carrying amounts of lease liabilities and the movements during the period:

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
As at 1 January	25.1	17.8
Additions	23.5	15.5
Accretion of interest	1.0	0.8
Payments	(12.8)	(8.6)
Currency effects	0.7	(0.3)
As at 31 December	37.5	25.1
Current lease liabilities	12.2	14.1
Non-current lease liabilities	25.3	11.0
Total	37.5	25.1

Lease liabilities are discounted with an interest rate of 4.5 per cent.

31 December 2022:

(Amounts in NOK million)	0-6 months	6-12 months	1-5 years
Payments on long term borrowings	-	-	192.9
Current borrowings	95.5	95.5	-
Trade creditors	177.8	-	-
Bank overdraft facility	-	18.3	-
Trade credit facility	43.1	-	-
Leases ¹⁾	6.1	6.1	25.3
Other current liabilities	44.9	-	-
Total	367.4	119.9	218.2

¹⁾ See note 24

31 December 2021:

(Amounts in NOK million)	0-6 months	6-12 months	1-5 years
Payments on long term borrowings	-	-	240.4
Current borrowings	19.9	19.9	-
Trade creditors	72.9	-	-
Bank overdraft facility	-	(9.2)	-
Trade credit facility	11.2	-	-
Leases ¹⁾	7.1	7.1	11.0
Other current liabilities	72.9	-	-
Total	184.0	17.8	251.5

¹⁾ See note 24

Maturity analysis – contractual undiscounted cash flows

(Amounts in NOK million)

2023	12.2
2024	13.9
2025	8.9
After 2025	2.5

Other effects in the statement of profit and loss

(Amounts in NOK million)

	2022	2021
Interest expense	0.6	0.4
Expense relating to short-term leases	0.6	0.6
Expense relating to low value leases	0.1	0.2

Leases with a lease term less than 12 months are accounted for as short-term leases. Low-value assets are also not capitalised.

NOTE 25 CONTINGENT LIABILITIES

Contingent liabilities:

The group has not received any claims nor is it involved in any legal or financial disputes in 2022.

All customer contracts for system deliveries include 1-2 years limited guarantee against product failure.

Guarantees:

For late deliveries the customers can give Vow penalties according to contract.

There are no separate and other guarantees issued at December 31, 2022.

NOTE 26 EVENTS AFTER THE REPORTING PERIOD

Vow awarded three Safesteril contracts

In February the Vow subsidiary ETIA Ecotechnologies (ETIA) received orders for a total of three Safesteril food safety systems for a combined order value of EUR 2.0 million. The systems ordered will be used for spice treatment, food life cycle services and vegetal proteins respectively.

In March C.H. Evensen was awarded two orders for a combined value of NOK 15 million. The first order is for a high temperature furnace, to be delivered to Elkem Iceland's silicon smelter. The second order is for a Norwegian supplier of automotive parts. C.H. Evensen will deliver solutions for heat treatment of aluminium alloy, a key step in advanced processes used by the European automotive industry.

Vow subsidiary C.H. Evensen awarded three contracts

Also in February the Vow subsidiary C.H. Evensen was awarded a contract for delivery of advanced technology to Uddeholm, a leading Swedish metals manufacturer. The contract has a value of NOK 24 million.

Potential sale of additional 2 500-tonnes production facility at Follum to Vow Green Metals

In February Vow ASA announced that it is in discussions with Vow Green Metals about the potential sale of a 2 500 tonnes biogreen production facility at Follum, Norway, featuring a Biogreen line. Construction is underway for completion in the third quarter 2023.



STATEMENT OF INCOME – VOW ASA

(Amounts in NOK million)	Note	2022	2021
Revenues		-	-
Total operating revenues		-	-
Employee expenses	4	(1.6)	(1.3)
Other operating expenses	4	(21.0)	(16.3)
Operating profit (EBIT) before transaction costs		(22.6)	(17.6)
Cost for transactions, listing and strategic processes	4	(4.4)	(5.0)
Operating profit (EBIT)		(27.0)	(22.6)
Finance income	5	11.3	5.9
Finance cost	5	(12.8)	(8.1)
Share of net profit from associated company	8	(5.3)	(3.2)
Gain from demerger of Vow Green Metals AS operations	8	-	341.6
Net financial items		(6.8)	336.3
Result before tax		(33.8)	313.7
Income tax (expense)/income	6	6.2	5.5
Result for the year		(27.5)	319.2

STATEMENT OF OTHER COMPREHENSIVE INCOME – VOW ASA

(Amounts in NOK million)	2022	2021
Result for the year	(27.5)	319.2
Other comprehensive income	-	-
Total other comprehensive income	-	-
Total comprehensive income for the year	(27.5)	319.2

STATEMENT OF FINANCIAL POSITION – VOW ASA

(Amounts in NOK million)	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Deferred tax asset	6	20.7	14.4
Investment in subsidiaries	7	233.9	232.2
Investment in associated company	8	141.5	146.8
Subordinated intercompany loan	11	514.5	303.7
Total non-current assets		910.6	697.1
Current assets			
Other receivables	9	2.1	3.0
Receivables from group companies	11	-	(0.1)
Cash and cash equivalents	10	10.8	123.2
Total current assets		12.9	126.2
Total assets		923.5	823.3
EQUITY AND LIABILITIES			
Equity			
Share capital	12	10.7	10.7
Treasury shares		(0.1)	-
Share premium	12	598.5	616.9
Retained earnings		(4.3)	21.5
Total equity		604.9	649.1
Liabilities			
Non-current liabilities			
Long term borrowing	13	127.5	151.8
Total non-current liabilities		127.5	151.8
Current liabilities			
Current borrowing	13	159.3	18.2
Convertible loan	15	28.3	-
Trade payables	14	1.4	3.2
Payable to group companies		0.3	-
Other current liabilities	14	2.0	1.0
Total current liabilities		191.2	22.4
Total liabilities		318.7	174.2
Total equity and liabilities		923.5	823.3

Lysaker, Norway, 25 April 2023

The board of directors and CEO – Vow ASA

				
Narve Reiten Chair	Bård Brath Ingerø Director	Hanne Refsholt Director	Susanne L. R. Schneider Director	Henrik Badin CEO

STATEMENT OF CHANGES IN EQUITY – VOW ASA

2022						
<i>(Amounts in NOK million)</i>	<i>Note</i>	Share capital	Treasury shares	Share premium	Retained earnings	Total equity
Equity at 1 January 2022		10.7	0.0	616.9	21.5	649.1
Result for the year		-	-	-	(27.5)	(27.5)
Other comprehensive income		-	-	-	-	0.0
Total comprehensive income		-	-	-	(27.5)	(27.5)
share buy-back programme March 2022	12	-	(0.1)	(21.7)	-	(21.8)
Increase through share-based payment	12	0.0	-	3.3	-	3.4
Stock options		-	-	-	1.7	1.7
Equity at 31 December 2022		10.7	(0.1)	598.5	(4.3)	604.9
2021						
<i>(Amounts in NOK million)</i>	<i>Note</i>	Share capital	Treasury shares	Share premium	Retained earnings	Total equity
Equity at 1 January 2021		10.9	-	392.5	40.8	444.3
Result for the year		-	-	-	319.2	319.2
Other comprehensive income		-	-	-	-	0.0
Total comprehensive income		-	-	-	319.2	319.2
Issue of capital	12	0.5	-	218.0	-	218.5
Nominal value reduction		(0.7)	-	-	0.7	0.0
Increase through share-based payment	12	0.0	-	6.3	-	6.4
Stock options		-	-	-	2.4	2.4
Distribution of assets as dividend		-	-	-	(341.6)	(341.6)
Equity at 31 December 2021		10.7	0.0	616.9	21.5	649.1

STATEMENT OF CASH FLOW – VOW ASA

<i>(Amounts in NOK million)</i>	<i>Note</i>	2022	2021
Cash flow from operating activities			
Result before income tax		(33.8)	313.7
Adjustments:			
Interest income	5	(8.2)	(5.9)
Interest cost	5	12.7	5.8
Currency translation effects		(3.0)	2.3
Gain from demerger of Vow Green Metals AS	8	-	(341.6)
Share of net profit from associated company	8	5.3	3.2
Change in trade payables		(1.8)	3.0
Changes in other accruals		1.2	(2.8)
Net cash flow from operating activities		(27.5)	(22.4)
Cash flow from investing activities			
Investment in associates	8	-	(150.0)
Net cash flow from investing activities		-	(150.0)
Cash flow from financing activities			
Proceeds from issuing stock	12	3.4	224.9
Treasury shares	12	(21.8)	0.0
Proceeds from non-current borrowings	13	-	151.8
Proceeds from current borrowings	13	135.0	18.2
Intercompany receivables	11	(171.2)	(96.0)
Interest paid	5	(12.1)	(5.8)
Repayments	13	(18.2)	-
Net cash flow from financing activities		(84.9)	293.1
Net change in cash and cash equivalents		(112.4)	120.7
Cash and cash equivalents at 1 January		123.2	2.5
Cash and cash equivalents at 31 December	10	10.8	123.2
Non restricted cash		10.8	123.2
Restricted cash		-	-
Cash and cash equivalents at 31 December		10.8	123.2

NOTES TO THE FINANCIAL STATEMENTS – VOW ASA

NOTE 01 GENERAL INFORMATION

Vow ASA is a limited liability company incorporated and domiciled in Norway, with its head office at Lysaker Torg 12, NO-1366 Lysaker. The company's business activity relates to ownership of shares in Scanship AS and Vow Green Metals AS.

The company's board approved the financial statements on 25 April 2023.

NOTE 02 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis for preparation

The financial statements of Vow ASA have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with the additional requirements following the Norwegian Accounting Act. The financial statements have been prepared on a historical cost basis, except for debt with conversion rights (embedded derivative) in relation to the acquisition of C. H. Evensen Industriovner AS in the subsidiary Scanship AS, that have been measured at fair value.

2.2 Investment in subsidiaries

Investment in subsidiaries is recognised at cost, less any necessary impairment. Impairment to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental and deemed necessary by generally accepted accounting principles. Impairments are reversed when the cause and basis of the initial impairment is no longer present.

2.3 Transactions in foreign currency

The functional currency and the presentation of the company is Norske Kroner (NOK). Foreign currency transactions are translated into the functional currency using the exchange rates at the transaction date. Monetary balances in foreign currencies are translated into the functional currency at the exchange rates on the date of the balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.4 Cash and cash equivalents

Cash and the equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.5 Trade receivables and trade creditors

Trade receivables are initially recognised at their transaction price (as defined in IFRS 15). The receivables are subsequently measured at amortised cost using the effective interest method, if the amortisation effect is material, less provision for impairment. Trade creditors are recognised initially at fair value and subsequently measured at amortised

cost using the effective interest method if the amortisation effect is material.

2.6 Financial assets

Non-current financial assets are initially measured at fair value. After initial recognition, these financial assets are measured at amortised cost using the effective interest method less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are impaired or derecognised. Interest effects from the application of the effective interest method and effects from currency translation are recognised through profit or loss.

2.7 Borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction/issue costs associated with the borrowing. After initial recognition, interests-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the consideration received net of transaction/issue costs associated with the borrowing and the redemption value, is recognised in the income statement over the term of the loan.

2.8 Derivative financial instruments

Derivative financial instruments are classified in category at fair value through profit or loss. These instruments are measured at fair value with changes in fair value charged to the income statement. The company does not apply hedge accounting.

2.9 Taxes

Income tax expense for the period comprises current tax expense and deferred tax expense. The company is subject to 22% income tax in accordance with the Norwegian tax legislation. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity. Deferred tax assets and liabilities are calculated based on temporary differences between the carrying amounts of assets and liabilities in the financial statement and their tax bases, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to apply when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet

date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that the deferred tax asset can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.10 Cost of equity transactions

Transaction costs directly attributable to an equity transaction are recognised directly in equity, net after deducting tax.

2.11 Cash flow statement

The cash flow statement is prepared by using the indirect method.

2.12 Share-based payments

The company has a share-based option plan covering certain employees in senior positions in the subsidiaries. Settlement in shares to employees is made in shares in Vow ASA where the plan is recognised as equity settled share-based payments and against value of shares in the subsidiaries.

2.13 Investment in associates

The company has investments in an associate. Associates are entities over which the company has significant influence, but not control or joint control over the financial and operating management. The considerations made in determining whether the company has significant influence over an entity are similar to those necessary to determine control over subsidiaries. Associates are accounted for using the equity method from the date when significant influence is achieved until such influence ceases.

Investments in associates are initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the company's share of net assets of the associate since the acquisition date. Goodwill relating to the associate

is included in the carrying amount of the investment and is not tested for impairment individually.

Shares in VGM was classified as investment in associate after distribution of VGM shares to the shareholders of Vow ASA. The transaction is considered as distribution of assets other than cash as dividends to its owners (IFRIC 17). Fair value of VGM at the point of demerger was NOK 492 million including shares held by Vow ASA recognised at cost of NOK 150 million. The fair value gain of the consideration shares distributed to the shareholders in Vow ASA was recognised as gain from demerger at NOK 342 million in 2021.

The statement of profit or loss reflects the company's share of the results of operations of the associate. Unrealised gains and losses resulting from transactions between the company and the associate are eliminated to the extent of the interest in the associate. If there are indication of that the investment in the associate is impaired, the company will perform an impairment test of the carrying amount of the investment. Any impairment losses are recognised as share of profit of an associate in the statement of profit or loss. Upon loss of significant influence over the associate, and as such the equity method ceases, the company measures and recognises any retained investment at its fair value.

2.14 Events after the balance sheet date

The financial statements are adjusted to reflect events after the balance sheet date that provide evidence of conditions that existed at the balance sheet date (adjusting events). The financial statements are not adjusted to reflect events after the balance sheet date that are indicative of conditions that arose after the balance sheet date (non-adjusting events). Non-adjusting events are disclosed if significant.

2.15 Changes in accounting policy and disclosures

New and amended standards and interpretations that has been effective for accounting periods starting on 1st January 2022 does not have any impact on the company's financial statements. Information regarding new and amended standards and interpretations are provided in note 2 of the consolidated financial statements.

NOTE 03 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in accordance with IFRS requires management to make judgements, use estimates and assumptions that affect the reported amounts of assets and liabilities, income, and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an on-going basis.

Estimates and assumptions which represent a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities relates mainly to the company's investments in subsidiaries and associates and intercompany

loans and receivables. The investment in subsidiaries and associates is recognised at cost, less any necessary impairment. Each year the management apply judgement to assess if there are any indication that the carrying amount is higher than its recoverable amount. If there are any indications of impairment, the management calculate the recoverable amount which implies assessments regarding future cash flows from its subsidiaries and associates. These assessments require substantial judgements.

NOTE 04 OTHER OPERATING EXPENSES, REMUNERATION AND COST FOR DEMERGER, LISTING AND STRATEGIC PROCESSES

Board remuneration: <i>(Amounts in NOK million)</i>	2022	2021
Board remuneration	1.4	1.1
Social tax, expenses	0.2	0.2
Total	1.6	1.3

Other operating expenses include: <i>(Amounts in NOK million)</i>	2022	2021
Auditor remuneration	0.5	0.7
Consultancy	16.0	11.1
Cost related to own shares	1.1	1.4
Advertisements	1.3	1.0
Other operating expenses	2.1	2.0
Total	21.0	16.3

The increase in consultancy costs is investment made in resources, systems and procedures to further develop our Landbased business segment.

Remuneration to auditor is allocated as specified below: <i>(Amounts in NOK million)</i>	2022	2021
Statutory audits	0.5	0.5
Other assurance services	0.0	0.2
Total, excl. VAT	0.5	0.7

Costs for demerger, listing and strategic processes.

Non-recurring items

The company has incurred costs of a non-recurring nature of NOK 4.4 million in 2022. These are costs primarily related to the acquisition of C.H. Evensen. In 2021 the incurred cost for non-recurring nature of NOK 5.0 million was expensed related

to the demerger and stock exchange listing process for Vow Green Metals AS and costs related to strategy processes and organisational build-up in the preparation for future growth.

NOTE 05 FINANCE INCOME AND COSTS

Finance income: <i>(Amounts in NOK million)</i>	2022	2021
Interest income	0.1	0.1
Intercompany interest income	8.2	5.8
Foreign exchange gain	3.1	0.0
Gain from demerger of Vow Green Metals AS operations	-	341.6
Total finance income	11.3	347.5

Finance costs:

<i>(Amounts in NOK million)</i>	2022	2021
Interest expense	12.7	5.8
Foreign exchange loss	0.1	2.3
Share of net profit from associated company	5.3	3.2
Total finance costs	18.1	11.2

NOTE 06 TAX

Specification of income tax: <i>(Amounts in NOK million)</i>	2022	2021
Change in deferred tax	(6.2)	(5.5)
Total income tax expense/(income)	(6.2)	(5.5)

Specification of temporary differences and deferred tax asset:

<i>(Amounts in NOK million)</i>	2022	2021
Tax loss carry forward	(94.0)	(65.7)
Total basis for deferred tax	(94.0)	(65.7)
Deferred tax asset 22%	(20.7)	(14.4)

Specification of temporary differences and deferred tax liability:

There are no temporary differences as of 31 December 2022 or 2021:

Reconciliation of effective tax rate:

<i>(Amounts in NOK million)</i>	2022	2021
Result before income tax	(3.4)	313.7
Expected income tax	(7.4)	69.0
<i>Adjusted for tax effect of the following items:</i>		
Permanent differences	1.2	(74.5)
Total income tax expense/(income)	(6.2)	(5.5)

NOTE 07 INVESTMENT IN SUBSIDIARIES

<i>(Amounts in NOK million)</i>	Country of incorporation	% equity and voting share	Equity at 31 Dec 2022	Result for the year 2022
Scanship AS				
2022	Tønsberg, Norway	100%	236.5	85.2
2021	Tønsberg, Norway	100%	149.5	37.9

NOTE 08 INVESTMENT IN ASSOCIATE COMPANY

Gain from demerger of Vow Green Metals AS (VGM) operations from Vow ASA recorded under financial items with an income of NOK 341.6 million in 2021.

The concept, design and business plan for developing a plant producing biocarbon using pyrolysis technology was demerged from Vow ASA into VGM. Shares in VGM was distributed to the shareholders of Vow ASA. The transaction is considered as distribution of assets other than cash as dividends to its owners (IFRIC 17). Fair value of VGM at the point of demerger was NOK 492 million and carrying value set at NOK 150 million, giving a fair value gain of the consideration shares distributed to the shareholders in Vow ASA at NOK 342 million.

Following the demerger on 9 July 2021, Vow ASA holds 30.4% of the shares in VGM and recognises it as an associate company which is accounted for using the equity method in the consolidated financial statements. The investment was recognised at fair value at inception and are subsequently adjusted for share of profits and potential dividends from VGM. The company's share of profit or loss from the associate company is included in profit or loss under financial items.

The following table illustrates the summarised financial information of the company's investment in VGM:

<i>(Amounts in NOK million)</i>	2022	2021
Current assets	43.5	69.4
Non-current assets	87.9	74.9
Current liabilities	(5.4)	(3.0)
Non-current liabilities	(0.2)	(0.1)
Equity	125.9	141.2
Company's share in equity – 30.4%	38.2	43.0
Goodwill	103.3	103.9
Company's carrying amount of the investment	141.5	146.8

<i>(Amounts in NOK million)</i>	2022	2021
Administrative expenses	(17.4)	(10.7)
Depreciation	(0.3)	0.0
Finance costs	0.3	0.0
Profit before tax	(17.4)	(10.7)
Income tax expense	-	-
Profit for the year	(17.4)	(10.7)
Total comprehensive income for the year	(17.4)	(10.7)
Company's share of profit for the year	(5.3)	(3.2)

VGM was listed on Oslo Stock Exchange 12 July 2021.

NOTE 09 OTHER RECEIVABLES

Other receivables include:

<i>(Amounts in NOK million)</i>	31 Dec 2022	31 Dec 2021
VAT receivable	0.2	0.6
Prepaid expenses and other items	1.0	1.4
Receivable from associate company	1.0	1.0
Total	2.1	3.0

NOTE 10 CASH AND CASH EQUIVALENTS

<i>(Amounts in NOK million)</i>	31 Dec 2022	31 Dec 2021
Bank deposits	10.8	123.2
Total cash and cash equivalents	10.8	123.2

See note 11 in the consolidated financial statement for the group for more information.

NOTE 11 INTERCOMPANY BALANCES AND TRANSACTIONS

Long-term loans to subsidiaries:

<i>(Amounts in NOK million)</i>	31 Dec 2022	31 Dec 2021
Scanship AS	514.5	303.7

The long-term loan to the subsidiary Scanship AS is related to the acquisition of C H Evensen Industriovner AS in 2022 and ETIA Ecotechnologies S.A.S in 2019. For more information see note 4 in the consolidated financial statement.

As a part of the acquisition of C H Evensen Industriovner AS, Scanship AS issued a vendor note for NOK 28.3 million, that immediately upon the issuance was transferred to Vow as new

borrower. The purpose of the transfer to Vow is to facilitate a possible settlement of the vendor note with Vow shares. During the last month before the vendor note's settlement date, the seller will have the right to elect to have the vendor note fully or partially settled by receiving Vow shares at a price of NOK 25 per Vow share. The vendor note shall be settled on 30 May 2023.

Payable to group companies:

<i>(Amounts in NOK million)</i>	31 Dec 2022	31 Dec 2021
Scanship Americas Inc.	0.3	0.0

Receivables from subsidiaries:

<i>(Amounts in NOK million)</i>	31 Dec 2022	31 Dec 2021
Scanship AS	0.0	(0.1)

Intercompany interest income:

<i>(Amounts in NOK million)</i>	31 Dec 2022	31 Dec 2021
Scanship AS	8.2	5.8

NOTE 12 SHARE CAPITAL AND SHAREHOLDER INFORMATION

See note 12 to the consolidated financial statements.

NOTE 13 BORROWING

Long-term borrowing

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Other long-term interest-bearing debt	127.5	151.8
Balance 31 December	127.5	151.8

Short-term borrowing

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Other short term interest-bearing debt	159.3	18.2
Convertible loan	28.3	-
Balance 31 December	187.6	18.2

In June 2021, Vow ASA secured NOK 320 million in long-term financing from DNB ASA, establishing a strong financial foundation for further innovation and project development in land-based industries. The financing arrangement consists of a NOK 170 million term loan facility and a NOK 150 million revolving credit facility (RCF), both classified as "green financing" at attractive terms, and within the DNB Sustainable Product Framework. This framework includes a verification by DNV, the assurance and risk management company, and is based on the international Green Loan Principles (GLP).

During 2022, Vow ASA repaid NOK 18.2 million of the NOK 170 million term loan with DNB, leaving the principal loan amount drawn to NOK 151.8 million per 31 December 2022. The RCF facility was drawn with NOK 135 million as per 31 December 2022.

Covenants

Vow ASA has the following covenants for loans, bank overdraft and trade finance facility in DNB ASA, which are relevant to measure as of 31 December 2022:

- Debt Service Coverage Ratio (DSCR) to be > 1,3x (1,7x per 31 December 2022)
- Minimum equity ratio of 35 per cent of total assets (37 per cent at 31 December 2022)
- NIBD/EBITDA ratio not to exceed 4x (3,6x per 31 December 2022)
- Any additional loans raised in the Group to be approved by DNB ASA

The Vow group is not in breach with the covenants as of 31 December 2022.

For additional information, see note 13 in the consolidated financial statements.

NOTE 14 OTHER CURRENT LIABILITIES

Trade payables

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Trade payables	1.4	3.2
Total	1.4	3.2

Other current liabilities

(Amounts in NOK million)	31 Dec 2022	31 Dec 2021
Other payables and accruals for incurred costs	2.0	1.0
Total	2.0	1.0

NOTE 15 CONVERTIBLE LOAN

See note 14 to the consolidated financial statements.

NOTE 16 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

(Amounts in NOK million)	Category	31.12.2022	31.12.2021
Financial assets:			
Subordinated intercompany loans	Loans and receivables	514.5	303.7
Other receivables	Loans and receivables	2.1	3.0
Receivables from group companies	Loans and receivables	-	(0.1)
Cash and cash equivalents	Loans and receivables	10.8	123.2
Total financial assets		527.4	429.8
Financial liabilities:			
Trade payables	Financial liabilities at amortised cost	1.4	3.2
Other current liabilities	Financial liabilities at amortised cost	2.0	1.0
Payable to group companies	Financial liabilities at amortised cost	0.3	-
Convertible loans	Fair value through profit and loss	28.5	-
Long term borrowing	Financial liabilities at amortised cost	127.5	151.8
Current borrowing	Financial liabilities at amortised cost	159.3	18.2
Total financial liabilities		290.4	174.2

Accruals for incurred costs are excluded since they are not defined as financial instruments.

(b) Fair value of financial instruments

The carrying amount of other receivables, receivables intercompany and cash and cash equivalents is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of other current liabilities is approximately equal to fair value since the effect of discounting is not significant.

(c) Financial risk

The most significant financial risks which affect the company are listed below. The management performs a continuous evaluation of these risks and determines policies related to how these risks are to be handled.

(d) Credit risk:

Carrying amounts of financial assets presented above represents the maximum credit exposure. The credit risk related to cash and cash equivalents and other receivables is considered to be immaterial.

(e) Liquidity risk:

Liquidity risk is the risk of being unable to pay financial liabilities as they fall due. The company's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its financial liabilities as they fall due, under normal as well as extraordinary circumstances, without incurring unacceptable losses or risking damage to the company's reputation. If the level of income from the subsidiaries is not sufficient, loans from group companies can be used to enable the company to pay financial liabilities as they fall due.

(Amounts in NOK million)	0-6 months	6 - 12 months	1-5 years
31 December 2022			
Trade payables	1.4	-	-
Other current liabilities	2.0	-	-
Payable to group companies	0.3	-	-
Long term borrowing	-	-	127.5
Current borrowing	53.1	106.2	-
Total	56.7	106.2	127.5

(Amounts in NOK million)	0-6 months	6 - 12 months	1-5 years
31 December 2021			
Trade payables	3.2	-	-
Other current liabilities	1.0	-	-
Long term borrowing	-	-	151.8
Current borrowing	6.1	12.1	-
Total	10.3	12.1	151.8

See note 23 to the consolidated financial statement for further information on the liquidity risk.

f) Foreign exchange rate risk:

The company has a loan to its subsidiary Scanship AS which is nominated in Euro. Related currency translation loss was 2.6 million for 2022. Any other major expense, liability or asset is nominated in NOK and not directly exposed to currency risk.

The company own shares directly and indirectly which are exposed to currency risk related to their cash inflows. See note 23 in the consolidated financial statement for further information on the foreign exchange rate risk.

NOTE 17 CONTINGENT LIABILITIES

See note 25 to the consolidated financial statements.

NOTE 18 EVENTS AFTER THE REPORTING PERIOD

See note 26 to the consolidated financial statements.

STATEMENT BY THE BOARD OF DIRECTORS AND CEO

We confirm, to the best of our knowledge, that

- The group financial statements for the period from 1 January to 31 December 2022 have been prepared in accordance with IFRS, as adopted by the EU
- The financial statements of Vow ASA for the period from 1 January to 31 December 2022 have been prepared in accordance with IFRS, as adopted by the EU and in accordance with the additional requirements following the Norwegian Accounting Act
- The financial statements give a true and fair view of the group's and the company's consolidated assets, liabilities, financial position and results of operations
- The report from the board of directors provides a true and fair view of the development and performance of the business and the position of the group and the company, together with a description of the key risks and uncertainty factors that the group and the company is facing

Lysaker, Norway, 25 April 2023

The board of directors and CEO – Vow ASA

				
Narve Reiten Chair	Bård Brath Ingerø Director	Hanne Refsholt Director	Susanne L. R. Schneider Director	Henrik Badin CEO

AUDITOR'S REPORT



Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6a, 0191 Oslo
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Vow ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Vow ASA (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the statement of financial position as at 31 December 2022 and the statement of income, statement of other comprehensive income, statement of cash flow and statement of changes in equity 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 legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2022 and their financial performance and 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 in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 12 years from the accounting year 2011.

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 for 2022. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

A member firm of Ernst & Young Global Limited



2

Recognition of revenue from customer contracts over time

Basis for the key audit matter

A significant part of the Group's revenues relates to customer contracts where revenues are recognized over time. The process of measuring the progress involves judgement and estimates by management related to allocation of the transaction price and estimation of the costs in fulfilling the contract. The duration of the contracts can be several years. The recognition of revenue from customer contracts over time has been a key audit matter due to the estimation uncertainty, the complexity of the contracts and the significance of the amounts involved.

Our audit response

We assessed the application of accounting principles, routines for monitoring the projects and tested controls related to project evaluations and accounting. We discussed the status of projects under construction with management, finance, and technical staff of the Group. We considered the accuracy of management's prior year assumptions by comparing the actual outcome against prior period estimates. For all new contracts, we tested estimated revenues against contracts. We assessed and tested the Group's process to record contract costs, hours and contract revenues and recalculated the calculation of the stage of completion. We also performed test of details of costs against invoices and hours incurred to assess the status of the project.

We refer to the disclosures included in note 5 in the consolidated financial statements regarding segments and revenue.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of directors' report, the statement on corporate governance or the statement on corporate social responsibility, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements 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.

Independent auditor's report - Vow ASA 2022

A member firm of Ernst & Young Global Limited



In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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 the 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, 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 fair presentation.
- 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

Independent auditor's report - Vow ASA 2022

A member firm of Ernst & Young Global Limited



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 requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of our audit of the financial statements of Vow ASA we have performed an assurance engagement to obtain reasonable assurance whether the financial statements included in the annual report, with the file name vowasa-2022-12-31-en, has 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 given with legal basis in 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 an annual report and iXBRL tagging of the consolidated financial statements that complies 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 accordance with the ESEF Regulation. We conduct our work in accordance 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 accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test 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.

Oslo, 27 April 2023
ERNST & YOUNG AS

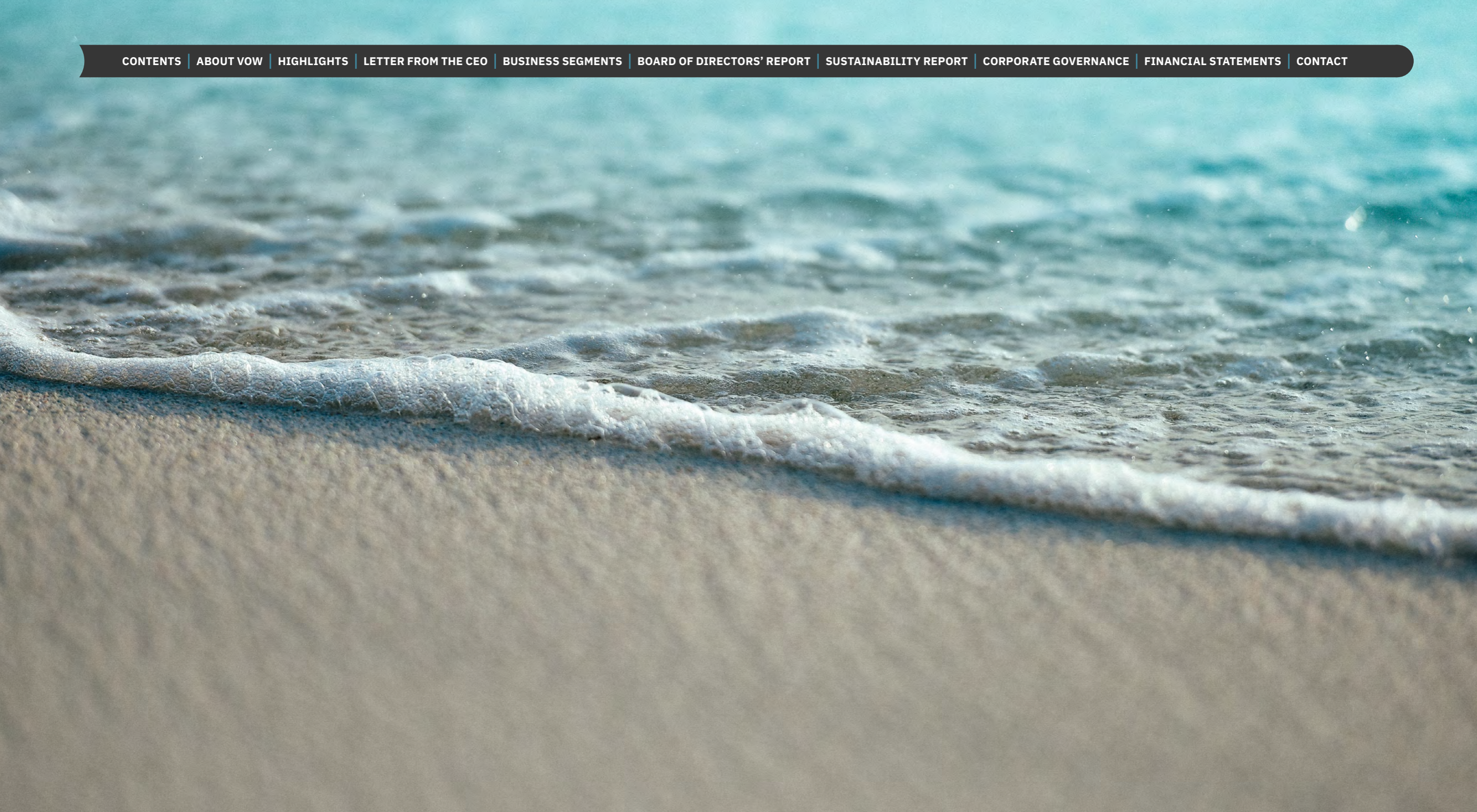
Leiv Aschehoug
State Authorised Public Accountant (Norway)

Independent auditor's report - Vow ASA 2022

A member firm of Ernst & Young Global Limited

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED BY IFRS

EBITDA before non-recurring items	Normalised earnings before interest, tax depreciation and amortisation.. Non-recurring items, like for instance transaction costs and costs related to acquisitions, are not included.
EBITDA margin (%) before non-recurring items	EBITDA before non-recurring items as a percentage of net sales, is a key performance indicator that the company considers relevant for understanding the profitability of the business and for making comparisons with other companies.
EBITDA	Earnings before interest, tax, depreciation and amortisation. EBITDA is a key performance indicator that the company considers relevant for understanding the generation of profit before investments in fixed assets.
EBIT	Earnings before interest and tax. EBIT is a key performance indicator that the company considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures. Depreciations are included, however, which is a measure of resource consumption necessary for generating the result.
EBIT margin (%)	EBIT as a percentage of net sales. The EBIT margin is a key performance indicator that the company considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Equity ratio (%)	Total equity in relation to total assets. The equity ratio is a key performance indicator that the company considers relevant for assessing its financial leverage.
Backlog	The group's order backlog consists of future value of remaining revenue on ongoing projects and projects signed but not started.



VOW

Vow ASA

Lysaker Torg 12, NO-1366 Lysaker
NORWAY
Limited liability company
5967007LIEEXZXGUA090
www.vowasa.com

Business inquiries:

Henrik Badin (CEO)
+47 90 78 98 25
henrik.badin@vowasa.com

Erik Magelssen (CFO)
+ 47 92 88 87 28
erik.magelssen@vowasa.com