

QUARTERLY FINANCIAL REPORT Q4 2021

M VEST ENERGY AS

28/02/2022



M VEST ENERGY

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	3
2. FINANCIAL REPORTS.....	6
3. NOTES TO THE INTERIM FINANCIAL STATEMENTS.....	11
Note 1 Accounting principles	11
Note 2 Tangible fixed assets and intangible assets	12
Note 2 Tangible fixed assets and intangible assets cont.....	13
Note 3 Leasing	14
Note 4 Financial items.....	15
Note 5 Tax.....	16
Note 6 Trade and other receivables	17
Note 7 Trade, other payables and provisions	17
Note 8 Bonds	17
Note 9 Other Interest-bearing debt	18
Note 10 Equity and shareholders.....	18
Note 11 Cash and cash equivalents.....	19
Note 12 Earnings per share.....	19
Note 13 Related party transactions	19
Note 14 Subsequent events	19

1. EXECUTIVE SUMMARY

Highlights M Vest Energy 4th quarter

On 12 November 2021 M Vest Energy announced the purchase of 7.56% working interest (WI) in Draugen, 4.4424% WI in Brage, and 0.8% WI in Ivar Aasen from Neptune Energy Norge AS ("Neptune"). In addition to the oil and gas producing fields, the transaction includes a 1.2092% WI in Edvard Grieg oil pipeline and 1.8138% WI in Utsira High gas pipeline.

The Q4 transaction will give M Vest Energy estimated revenues for 2022 of around NOK 500 mill, compared to NOK 63 mill in 2021. For 2022 the expected production is 1,700 – 1,800 barrels of oil equivalents per day.

Effective date for the transaction is 01.01.2022, and government approval of the transaction is expected in Q1 2022.

The result for the fourth quarter 2021 is negative with the amount of 7,2 MNOK mainly due to delayed upstart of Dvalin and investments in licenses for future income.

Through the transaction, and as of 1 January 2022, M Vest Energy AS will become a fully integrated E&P company with oil and gas production, exploration activity, infrastructure ownership and potential development projects. With high oil and gas prices driven by strong demand and a supply side that suffer from years of under investments, M Vest Energy is well positioned for the future.

About M Vest Energy

M Vest Energy was founded in 2015, and in 2016 the company acquired assets and staff from Atlantic Petroleum Norge AS. In December 2016, the new energy business was approved as a license holder on The Norwegian Continental Shelf (NCS), and in January 2017 M Vest Energy was awarded its first license by the Ministry of Petroleum and Energy in the licensing round.

In June 2020, the company acquired a 5% working interest in the Polarled gas pipeline. The purchase was approved by the Ministry of Finance in August 2020 and the Ministry of Petroleum and Energy in November 2020. In addition to M Vest Energy (5.000%), the partnership in the Polarled Joint Venture consists of Equinor (37.076%), CapeOmega (28.271%), Sval Energi (13.255%), Petoro (11.946%) and ConocoPhillips (4.452%).

The company's strategy is to optimize and develop the existing portfolio within the frameworks available. Further, the company is actively working to uncover the new opportunities that arise as a result of rapid changes in the sector. This includes investment in production and infrastructure opportunities. M Vest Energy aims at always being ahead of technology development, particularly the utilization of digital technology.

The company shall conduct its business in a way that minimizes footprint on the climate and environment, and especially be in the forefront when it comes to reducing emissions to air and water. ESG is central in the day-to-day operations.

Financial review

Total income in the fourth quarter 2021 amounted to MNOK 16.3, (5.6 in 2020). The increase is due to the acquisition of a 5% share in the Polarled gas pipeline with completion 30.11.2020. On an annual basis, delayed start-up of Dvalin has an estimated negative impact of 18 MNOK on the revenues, meaning that MVE had expected approximately 4.5 MNOK more in revenues for the fourth quarter of 2021. Operating loss for the period was MNOK 5.5 (9.5 MNOK in 2020), where the improvement from 2020 was caused by an increase in revenues. The total operating expenses amounted to MNOK 21.7 (15.1 MNOK in 2020). The difference is a consequence of increased exploration activity, and depreciations of the Polarled gas pipeline acquired in Q4 2020.

Net financial items amounted to MNOK -6.1 (-1.6 MNOK in 2020). The increase is due to the bond issue of November 2020, and a reduction in borrowings under the Exploration Financing Facility.

Profit/loss (-) before income tax was MNOK -11,6 (-11,1 in 2020). Tax income/expense (+) amounted to MNOK -4.4 (-9.1 in 2020), whereof tax refund/payable (+) amounted to MNOK -4.2 (-6.4 in 2020). The effective tax rate of 37.9% (81.7% in 2020) deviates from the standard tax rate of 78% mainly due to financial items which are deducted with a lower tax rate, and non-deductible costs.

Net profit/loss (-) was MNOK -7.2 (-2.0 in 2020).

Total assets at period-end amounted to MNOK 300.2 (341.8 in 2020). The main reason for the decrease is depreciations of infrastructure assets.

M Vest Energy has recognised tax refund of MNOK 17.6 (40.2 in 2020).

The interest-bearing debt was MNOK 294.1 in Q4 2021, compared to 310.4 MNOK in 2020. The net decrease in interest-bearing debt is mainly due to a reduced need for financing under the exploration financing facility with SEB.

The company's cash flow from operating activities was MNOK 37.7 (56.4 in 2020). Cash flow from investing activities was NOK -2.1 (-242.5 in 2020).

Net cash flow from financing activities was MNOK -21.4 (205.5 in 2020).

Cash and cash equivalents at the beginning of the period was MNOK 9.5 (7.0 in 2020). At balance sheet date, cash and cash equivalents amounted to MNOK 23.7 (26.3 in 2020), giving a net increase of MNOK 14.2 (19.4 in 2020.)

Operational review

The company currently holds ownership in seven exploration licenses on the NCS. One of these, PL 528 (Ivory), are currently being evaluated for development and operation (PDO), four are being evaluated for their exploration potential, and in the last two a decision to drop the license is taken. In addition, the company holds a 5% ownership in the Polarled pipeline that transports gas from Aasta Hansteen and surrounding areas to the Nyhamna gas processing plant. The ownership in Polarled is estimated to cover the company's operational expenses.

The initial budgets for Polarled presented by the operator included tariff income from the Dvalin gas field in 2021. Test production on Dvalin showed elevated levels of mercury. These are levels that do not compromise the Polarled pipeline, but are too high for the Nyhamna Gas Plant, where mercury filters need to be installed. M Vest Energy estimate a negative impact on the revenues for 2021 of approximately 18 MNOK due to the delayed start-up. Planned start-up on Dvalin is Q1 2023.

Risks and uncertainty

As an oil and gas company operating on the Norwegian Continental Shelf, exploration results, reserve and resource estimates and estimates for capital and operating expenditures are associated with uncertainty. The production performance of oil and gas fields may be variable over time, and this also effects the tariff income from infrastructure assets.

The company is exposed to various forms of financial risks, including, but not limited to, fluctuation in oil prices (indirectly), exchange rates, interest rates and capital requirements; these are described in the company's annual report and accounts.

The COVID-19 pandemic has caused significant business disruption globally and may impact the longer-term demand for oil and gas. This represents a risk to the company's future price realisations, results from operations, cash flows, financial condition, and access to capital.

2. FINANCIAL REPORTS

INCOME STATEMENT

	NOK		01.01.-31.12.	01.01.-31.12.	Q4	Q4
		Note	2021	2020	2021	2020
Tariff revenues			62 545 319	5 565 834	16 271 567	5 565 834
Other income			731 250	-	-	-
TOTAL INCOME			63 276 569	5 565 834	16 271 567	5 565 834
Production costs			2 246 772	202 426	405 766	202 426
Exploration expenses			27 448 774	20 265 496	6 156 331	3 741 759
Depreciations	2		13 128 627	2 260 814	3 283 413	1 304 264
Other operating costs			35 156 887	36 439 697	11 876 319	9 851 134
Total operating expenses			77 981 060	59 168 434	21 721 828	15 099 583
Operating profit/loss			(14 704 491)	(53 602 600)	(5 450 261)	(9 533 749)
Net financial items	4		(23 164 605)	(7 522 531)	(6 111 137)	(1 609 857)
Profit/loss before taxes			(37 869 096)	(61 125 131)	(11 561 398)	(11 143 606)
Tax expense (+)/income (-)	5		(10 522 295)	(44 182 147)	(4 379 675)	(9 099 925)
NET PROFIT/LOSS			(27 346 801)	(16 942 984)	(7 181 722)	(2 043 681)

STATEMENT OF FINANCIAL POSITION

	NOK		01.01.-31.12.	01.01.-31.12.	31.12.
		Note	2021	2020	2020
BALANCE SHEET - ASSETS	ASSETS				
	Intangible assets				
	Deferred tax assets	5	9 696 948	16 730 539	16 730 539
	Other intangible assets	2	1 422 252	1 079 184	1 079 184
	Tangible fixed assets				
	Property, plant and equipment	2	231 632 110	241 398 485	241 398 485
	Right-of-use assets	2,3	1 503 258	2 596 536	2 596 536
	Total non-current assets		244 254 567	261 804 744	261 804 744
	Receivables				
	Trade and other receivables	6	14 686 257	13 508 825	13 508 825
	Tax receivable from exploration refund	5	17 578 840	40 169 171	40 169 171
	Cash and cash equivalents				
	Cash and cash equivalents	11	23 701 454	26 313 840	26 313 840
	Total current assets		55 966 552	79 991 835	79 991 835
	TOTAL ASSETS		300 221 119	341 796 578	341 796 578

STATEMENT OF FINANCIAL POSITION

NOK		01.01.-31.12.	01.01.-31.12.	31.12.
	Note	2021	2020	2020
EQUITY AND LIABILITIES				
Equity				
Share capital	10	75 750	75 750	75 750
Share premium		98 137 410	98 137 410	98 137 410
Other equity		(105 220 513)	(77 873 713)	(77 873 713)
Total equity		(7 007 353)	20 339 447	20 339 447
Non-current liabilities				
Long term bonds	8	275 000 000	275 000 000	275 000 000
Exploration financing facility	9	-	-	-
Other borrowings		-	-	-
Long-term lease debt	3	478 189	1 585 139	1 585 139
Total non-current liabilities		275 478 189	276 585 139	276 585 139
Current liabilities				
Trade, other payables and provisions	7	13 127 724	11 014 789	11 014 789
Exploration financing facility	9	17 500 000	32 734 643	32 734 643
Short-term lease debt	3	1 122 560	1 122 560	1 122 560
Total current liabilities		31 750 283	44 871 992	44 871 992
Total liabilities		307 228 472	321 457 131	321 457 131
TOTAL EQUITY AND LIABILITIES		300 221 119	341 796 578	341 796 578

BALANCE SHEET - EQUITY AND LIABILITIES

STATEMENT OF CASH FLOW

Statement of cash flow (NOK)		01.01.-31.12.	01.01.-31.12.	Q4	Q4
	Note	2021	2020	2021	2020
Profit/loss before taxes		(37 869 096)	(61 125 131)	(11 561 398)	(11 143 606)
Depreciation	2	13 128 627	2 260 814	3 283 413	1 304 264
Tax refund	5	40 146 217	72 648 834	40 146 217	72 648 834
Interest expenses	4	123 084 956	8 144 587	5 919 189	2 614 324
Changes in inventories, accounts payable and receivables		953 502	(11 989 605)	(51 685)	(9 054 359)
Net cash flow from operating activities		39 426 205	9 939 500	37 735 736	56 369 458
Disbursements on investments in fixed assets	2	(818 705)	(738 797)	-	(250 000)
Disbursements on investments in licenses	2	(1 793 337)	(242 235 177)	(2 139 434)	(242 235 177)
Net cash flow from investment activities		(2 612 041)	(243 173 974)	(2 139 434)	(242 485 177)
Net drawdown/repayment of exploration facility		(15 234 643)	(33 177 357)	(15 234 643)	(68 629 357)
Net proceeds from bond issue	8	-	275 000 000	-	275 000 000
Net proceeds from other debt		-	10 000 000	-	-
Interest paid		(23 017 750)	(2 600 812)	(5 905 855)	(602 728)
Payments on lease debt	3	(1 174 157)	(1 181 162)	(291 788)	(295 290)
Net cash flow from financing activities		(39 426 550)	248 040 669	(21 432 286)	205 472 624
Net change in cash and cash equivalents		(2 612 385)	14 806 195	14 164 016	19 356 905
Cash and cash equivalents at start of period		26 313 840	11 507 645	9 537 439	6 956 934
Cash and cash equivalents at end of period	11	23 701 454	26 313 840	23 701 454	26 313 840

CASH FLOW STATEMENT

Statement of changes in equity

Equity (NOK)	Share capital	Share premium	Retained earnings	Total equity
Shareholders' equity at 1 January 2021	75 750	98 137 410	(77 873 713)	20 339 447
Net income for the period	-	-	(27 346 801)	(27 346 801)
Share capital increase	-	-	-	-
Shareholders' equity at 31 December 2021	75 750	98 137 410	(105 220 513)	(7 007 353)
Shareholders' equity at 1 January 2020	30 000	-	(60 930 729)	(60 900 729)
Net income for the period	-	-	(16 942 984)	(16 942 984)
Share capital increase	45 750	98 137 410	-	98 183 160
Shareholders' equity at 31 December 2020	75 750	98 137 410	(77 873 713)	20 339 447

3. NOTES TO THE INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements ("interim financial statements") have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") IAS34 "Interim Financial Reporting", thus the interim statements do not include all information required by IFRS and should be read in conjunction with the annual financial statements for 2020. The interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the dates and interim periods presented. These interim financial statements have not been subject to review or audit by independent auditors.

These interim financial statements were authorized for issue by the company's Board of Directors on 26 February 2022.

Note 1 Accounting principles

The accounting principles used for this interim report are consistent with the principles used in the company's 2020 annual financial statements.

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Note 2 Tangible fixed assets and intangible assets

Tangible fixed assets - amounts in NOK	Gas transportation facilities	Production facilities	Office machinery, furniture and fixtures	Right-of-use assets
2021				
Cost at 1 January 2021	242 235 177	-	468 230	4 783 093
Additions	291 837	1 501 500	49 627	-
Disposals	-	-	-	-
Cost at 31 December 2021	242 527 013	1 501 500	517 857	4 783 093
Accumulated depreciation and impairment at 1 January 2021	957 451	-	347 470	2 186 557
Depreciation for the period	11 545 843	-	63 496	1 093 278
Disposals	-	-	-	-
Accumulated depreciation and impairment at 30 September 2021	12 503 294	-	410 966	3 279 835
Carrying amount at 31 December 2021	230 023 719	1 501 500	106 891	1 503 257
2020				
Cost at 1 January 2020	-	-	388 383	4 783 093
Additions	242 235 177	-	79 847	-
Disposals	-	-	-	-
Cost at 31 December 2020	242 235 177	-	468 230	4 783 093
Accumulated depreciation and impairment at 1 January 2020	-	-	294 930	1 093 278
Depreciation for the period	957 451	-	52 540	1 093 278
Disposals	-	-	-	-
Accumulated depreciation and impairment at 31 December 2020	957 451	-	347 470	2 186 557
Carrying amount at 31 December 2020	241 277 725	-	120 760	2 596 536

Gas transportation facilities are depreciated over the license period using the straight-line method. Office machinery etc. are depreciated over their useful life, 3-5 years. Right-of-use assets are depreciated over the contractual obligation period. The acquisition of a 5% share of Polarled JV is considered an asset acquisition, and the consideration for the interest is allocated to individual assets and liabilities acquired. Polarled is depreciated over the remaining useful life, which is considered to be the same as the license period that expires in 2041.

The interest in Polarled JV is pledged as security for the bond issue.

There is no impairment loss recognised on infrastructure assets in 2020 or 2021.

Note 2 Tangible fixed assets and intangible assets cont.

Intangible assets - amounts in NOK	Software
2021	
Cost at 1 January 2021	1 258 950
Additions	769 077
Disposals	-
Cost at 31 December 2021	2 028 028
Accumulated depreciation and impairment at 1 January 2021	179 767
Depreciation for the period	426 009
Disposals	-
Accumulated depreciation and impairment at 30 September 2021	605 776
Carrying amount at 31 December 2021	1 422 252
2020	
Cost at 1 January 2020	400 000
Additions	858 950
Disposals	-
Cost at 31 December 2020	1 258 950
Accumulated depreciation and impairment at 1 January 2020	22 222
Depreciation for the year	157 545
Disposals	-
Accumulated depreciation and impairment at 31 December 2020	179 767
Carrying amount at 31 December 2020	1 079 184

Software is depreciated over its useful life, 3 years, using the straight-line method.

Note 3 Leasing

The company has entered into leases for office premises and parking spaces. This is the only significant lease agreement identified by the company. The current office lease agreement terminates 14.05.2023, and the annual lease cost is NOK 1,181,162.

The incremental borrowing rate applied in discounting the lease debt is 3,36%

Leasing liabilities (NOK)	01.01.-31.12.	01.01.-31.12.	01.01.-31.12.
	2021	2020	2020
Lease debt at beginning of period	2 707 699	3 785 085	3 785 085
New lease debt recognized in the period	-	-	-
Payments of lease debt	(1 174 157)	(1 181 162)	(1 181 162)
Interest expense on lease debt	67 206	103 776	103 776
Total lease debt	1 600 749	2 707 699	2 707 699
Short-term lease debt	1 122 560	1 122 560	1 122 560
Long-term lease debt	478 189	1 585 139	1 585 139
Total lease debt	1 600 749	2 707 699	2 707 699
Lease debt maturity breakdown (NOK)	2021	2020	2020
Within one year	1 122 560	1 122 560	1 122 560
Two to five years	478 189	1 585 139	1 585 139
After five years	-	-	-
Total	1 600 749	2 707 699	2 707 699

Extension options are included in the lease liability when, based on management's judgement, it is reasonably certain that an extension will be exercised. No such extension options are recognised as at 31 December 2021.

Note 4 Financial items

Financial items (NOK)	01.01.-31.12.	01.01.-31.12.	Q4	Q4
	2021	2020	2021	2020
Interest income	245	987 055	245	987 055
Currency gains	30 225	46 619	-	8 244
Total financial income	30 470	1 033 675	245	995 299
Interest expenses	23 017 750	8 040 811	5 905 855	2 591 769
Interest on lease debt	67 206	103 776	13 334	22 555
Currency loss	82 857	327 375	-	18 503
Financial items from billing	27 262	84 243	192 192	(27 672)
Total financial expenses	23 195 074	8 556 206	6 111 382	2 605 155
Net financial items	(23 164 605)	(7 522 531)	(6 111 137)	(1 609 857)

Interest paid in 2021

Paid interests (NOK)	01.01.-31.12.	01.01.-31.12.
	2021	2020
Exploration Financing Facility	1 017 750	2 600 812
Long term bonds	22 000 000	-
Total paid interests	23 017 750	2 600 812

Note 5 Tax

Tax for the period (NOK)	01.01.-31.12.	01.01.-31.12.	Q4	Q4
	2021	2020	2021	2020
Current year tax payable/receivable	(17 555 886)	(40 169 170)	(4 165 606)	(6 404 160)
Change in current year deferred tax	7 033 591	(4 012 977)	(214 069)	(2 695 765)
Tax expense (+)/income (-)	(10 522 295)	(44 182 147)	(4 379 675)	(9 099 925)

Calculated tax payable (-)/tax receivable (+) (NOK)	01.01.-31.12.	01.01.-31.12.	Q4	Q4
	2021	2020	2021	2020
Tax payable/receivable at beginning of period	40 169 171	72 648 835	53 559 451	106 413 845
Current year tax payable/receivable	17 555 886	40 169 170	4 165 606	6 404 160
Net tax payment/refund	(40 146 217)	(72 648 834)	(40 146 217)	(72 648 834)
Net tax payable (-)/receivable (+)	17 578 840	40 169 171	17 578 840	40 169 171
Tax receivable included as current assets (+)	17 578 840	40 169 171	17 578 840	40 169 171

Specification of deferred tax asset (NOK)	01.01.-31.12.	01.01.-31.12.	01.01.-31.12.
	2021	2020	2020
Deferred tax liability/asset at beginning of period	16 730 539	12 717 562	12 717 562
Change in current year deferred tax	(7 033 591)	4 012 977	4 012 977
Net deferred tax liability (-)/asset (+)	9 696 948	16 730 539	16 730 539

Companies operating on the NCS under the offshore tax regime can claim the tax value of any unused tax losses or other tax credits related to its offshore activities to be paid in cash (including interest) from the tax authorities when operations cease. Deferred tax assets that are based on offshore tax losses carried forward are therefore recognised in full.

Reconciliation of tax expense (NOK)	01.01.-31.12.	01.01.-31.12.
	2021	2020
78% tax rate on profit/loss before tax	(29 537 895)	(47 677 602)
Other non-deductible costs	8 020 324	3 493 091
Tax effect of uplift	(621 418)	(1 442 594)
Effect of temporary tax changes	(836 890)	(183 900)
Interest on lease liabilities	(37 636)	(58 115)
Tax effect of financial and other 22% items	12 972 179	2 280 081
Net financials deductible 56%	(430 341)	(361 754)
Interest on losses carried forward	(73 572)	(157 361)
Tax value of losses to be refunded	-	-
Prior period adjustment	22 954	(73 993)
Other differences	-	-
Tax expense (+)/income (-)	(10 522 295)	(44 182 147)

Note 6 Trade and other receivables

Specification of trade and other receivables

Trade and other receivables (NOK)	01.01.-31.12.	01.01.-31.12.	01.01.-31.12.
	2021	2020	2020
Accounts receivables	6 336 920	5 580 296	5 580 296
Receivables related to license acquisitions	-	4 787 221	4 787 221
Prepayments	2 086 782	1 900 267	1 900 267
Other receivables, including balances with license partners	6 262 555	1 241 040	1 241 040
Totals	14 686 257	13 508 825	13 508 825

The receivables all mature within one year.

Note 7 Trade, other payables and provisions

Specification of trade, other payables and provisions

Trade, other payables and provisions (NOK)	01.01.-31.12.	01.01.-31.12.	01.01.-31.12.
	2021	2020	2020
Accounts payable	1 864 880	3 486 975	3 486 975
Accrued public charges and indirect taxes	1 105 275	1 038 941	1 038 941
Payroll liabilities	4 223 375	4 030 270	4 030 270
Accrued interest	1 989 041	1 989 041	1 989 041
Share of other current liabilities in licenses	3 945 152	469 562	469 562
Totals	13 127 724	11 014 789	11 014 789

Note 8 Bonds

Bonds (NOK)	Maturity	31.12.2021	31.12.2020	31.12.2020
Senior secured bond 8.000% (20/30)	Nov 2030	275 000 000	275 000 000	275 000 000

The bond is carried at nominal value. Interest is paid on a quarterly basis. The bond does not have financial covenants. The 5% working interest in Polarled JV is pledged as security for the bond issue. Book value of pledged assets is MNOK 230.0.

Note 9 Other Interest-bearing debt

Other interest-bearing debt (NOK)	31.12.2021	31.12.2020	31.12.2020
Exploration Financing Facility	17 500 000	32 734 643	32 734 643
Long-term lease debt	478 189	1 585 139	1 585 139
Short-term lease debt	1 122 560	1 122 560	1 122 560
Total	19 100 749	35 442 342	35 442 342

The Exploration Financing Facility agreement for 150 MNOK with Svenska Enskilda Banken (SEB) was originally entered into 18.01.2017, and has been amended in 2018, 2019, 2020 and 2021. After the amendment in 2021 the facility was reduced to 70 MNOK. The facility period end 31.12.2021, with termination date 31.12.2022, or when M Vest Energy receive the exploration tax refunds. The interest consists of Nibor + margin (2.00%). The Financing Facility is limited to 95% of the tax value of relevant exploration costs. As of 31 December 2021, the company have outstanding loan that correspond to 99.6% of exploration tax refund. The excess draw down will be repaid in 2022. The tax refund is pledged as security under the Exploration Financing Facility.

Note 10 Equity and shareholders

Shareholders	A-shares	B-shares	Total shares
M Vest AS	14 850	45 750	60 600
Jonny Hesthammer AS	6 000	-	6 000
Alpha Sigma AS	4 575	-	4 575
Buena Vida AS	4 575	-	4 575
Total	30 000	45 750	75 750

The company has 30,000 A shares and 45,750 B shares, each with a nominal value of NOK 1.

The A shares carry full economic rights and full voting rights.

The B shares do not have voting rights in the General Assembly but have otherwise equal rights to the A shares.

Equity changes are found in the Statement of Changes in Equity.

Note 11 Cash and cash equivalents

(NOK)	31.12.2021	31.12.2020	31.12.2020
Bank deposits, unrestricted	23 081 014	24 518 651	24 518 651
Bank deposit, employee taxes, restricted	2 314 473	1 795 189	1 795 189
Total cash and cash equivalents	23 701 454	26 313 840	26 313 840

Note 12 Earnings per share

Earnings per share is calculated by dividing the period's profit attributable to ordinary equity holders of the company, which was NOK -7 181 722 (NOK -2,043,681 in 2020) by the period's weighted average number of outstanding ordinary shares, which was 75,750 (39,000 in 2020). There are no option schemes or convertible bonds in the company, meaning there is no difference between the ordinary and diluted earnings per share.

Earnings per share (NOK)	31.12.2021	31.12.2020	Q4 2021	Q4 2020
Loss for the period attributable to ordinary equity holders	(27 346 801)	(16 942 984)	(7 181 722)	(2 043 681)
The period's average number of ordinary shares	75 750	39 000	75 750	65 804
Earnings per share in NOK	(361)	(434)	(95)	(31)

Note 13 Related party transactions

Expenses to related parties

Related party	Relation	Q1	Q2	Q3	Q4	YTD
Nord Advisors AS	MVE's chair of board is chair of board and owner of Nord Advisors AS	390 600	410 250	400 425	760 425	1 961 700

The remuneration is related to purchase of consulting services consisting of strategic support, opportunity analyses, financial advice, risk management and IR-services that is not covered by the permanent employees.

Molasset AS, controlled by MVE's chair of board, has delivered services related to valuations, negotiations and other analysis. The fee for the services conducted from May to November amounts to 1.5 MNOK.

Note 14 Subsequent events

In January 2022 M Vest Energy was awarded working interests in two licenses on the NCS. MVE was awarded 20% in PL 1156, located south of Draugen, and 40% in PL 1161 located south-east of the Mikkel field and north of the Draugen field. OKEA is the operator in both of the licenses, as they also are in Draugen.

Statement by the board of directors and chief executive officer

Pursuant to the Oslo Stock Exchange ABM-rules, we hereby confirm that, to the best of our knowledge, the company's interim financial statements for the period 1 January to 31 December 2021 have been prepared in accordance with IAS 34, as endorsed by the EU, and in accordance with the requirements for additional information provided by the Norwegian Accounting Act. The information presented in the financial statements gives a true and fair picture of the company's liabilities, financial position and results overall.

To the best of our knowledge, the Board of Directors' half-yearly report together with the yearly report, gives a true and fair picture of the development, performance and financial position of the company, and includes a description of the principal risk and uncertainty factors facing the company.

The Board of Directors and the CEO of M Vest Energy AS
Bergen, 24 February 2022

Lars Moldestad
Chair of the board

Johan Kr. Mikkelsen
Board member

Jonny Hesthammer
Board member/CEO