

INTERIM REPORT

for the first quarter 2022



north
energy

Quarterly highlights

North Energy reports a loss of NOK 12.6 million.

North Energy recorded a loss of NOK 12.6 million in the first quarter 2022. The value of financial investments increased with net NOK 3.3 million while the net result from investments in associates was a loss of NOK 12.9 million. Reported operating expenses were NOK 3.4 million. The cash position ended at NOK 30.0 million, a reduction of NOK 10.0 million during the quarter.

New strategic partner in Reach Subsea. In February, Reach announced two major strategic initiatives with the acquisition of offshore survey specialist iSurvey Group AS, and the strategic co-operation with Wilhelmsen New Energy on Reach Remote. The agreement with Wilhelmsen New Energy involves a directed equity issue of NOK 150 million, providing equity funding for the first two Reach Remote unmanned service vehicles. Through these initiatives, Reach will strengthen its in-house capabilities on data management and processing, and important feature of Reach Remote, and strengthen the set-up for commercialization of Reach Remote. After the completion of the two announced major strategic initiatives, North Energy and Wilhelmsen New Energy are joint major shareholders of Reach with 21% each.

Touchstone Exploration.

Touchstone Exploration published its year-end 2021 reserves report showing a significant increase in reserves from year-end 2020. The company continues to develop its assets in the Ortoire license and expects production from both Coho-1 and the two Cascadura wells to come on stream during 2022. The company also published its FY 2021 accounts showing a net profit of USD 6.5m.

Chariot Ltd.

In December, North Energy invested NOK 8.9 million in a private placement in Chariot Ltd. (Chariot), which is an Africa-based transitional energy company aiming to be a provider of cleaner energy across the African continent via its Transitional Gas and Transitional Power business streams. The company has a high value gas project in Morocco and an exciting new venture in renewable hybrid energy focused on Africa. Chariot Ltd.'s shares are traded on the London stock exchange. After the quarter end, North Energy has sold

the majority of the holdings with a realised gain of around NOK 16 million.

New management structure in place. As previously announced, Mr. Knut Sæberg retired from his position as CEO on 31 December 2021. Effective from 1 January 2022 Mr. Rachid Bendriss and Mr. Didrik Leikvang have accepted roles as Co-CEOs in the Company, collectively responsible for managing the business. Both Mr. Bendriss and Mr. Leikvang have since 2016 been engaged as strategic and financial advisors for the company. Further, Mr. Rune Damm, Finance manager since 2015, has from 1 January 2022 assumed the role as CFO.

Key figures

NOK mln	Q1 2022	Q1 2021	Year 2021
Operating profit	-13,0	-41,0	-46,7
Profit loss after tax	-12,6	-30,7	-27,8
Investments	292,2	262,4	295,4
Total assets	324,7	383,3	339,0
Equity ratio	95	97	95
Interest bearing debt	0	0	0

Financial information

North Energy recorded a comprehensive loss of NOK 12.6 million in the first quarter of 2022, compared with a comprehensive loss of NOK 30.7 million in the corresponding quarter of 2021. The loss reported in first quarter 2022 is mainly driven by the company's share of net loss from associated companies of NOK 12.9 million, while the value of financial investments increased with NOK 3.3 million, primarily driven by a value increase in Chariot Ltd. Operating expense was reported at NOK 3.4 million compared with NOK 4.3 million in the same quarter last year. The loss in the first quarter last year was driven by a significant decrease of NOK 41.9 million in the valuation of the investment in Touchstone Exploration partly offset by North Energy's share of the positive result from Reach Subsea of NOK 3.7 million.

The market value of North Energy's investment in Reach Subsea increased by NOK 66.4 million (from NOK 140.2 million to NOK 206.6 million) in the first

quarter of 2022. The market value is higher than the book value, therefore the increase is not recognized in the income statement as the investment in Reach is accounted for as an associated company. Hence, the accounting effect from our investment in Reach is our share of the comprehensive loss from Reach, NOK 11.8 million. The book value of Reach is NOK 111.0 million per end of the first quarter.

Payroll and related expenses in the first quarter were NOK 2.2 million, compared with NOK 1.1 million in the same quarter last year. The increase is due to the new management structure in place from 1 January 2022 where the two former advisors have been employed as co-CEOs. A corresponding offset is seen in consultancy expenses reported under other operating expenses

Other operating expenses are reported at NOK 0.9 million, which is down from NOK 2.9 million in the same quarter last year.

Net financial items were NOK 0.4 million in the first quarter 2022 consisting mainly of interest received on bonds.

At the end of the quarter, total market value of investments amounted to NOK 402.7 million, compared to NOK 304.0 million at the end of first quarter last year and NOK 326.7 million last quarter. The increase in investments compared to last quarter as well as first quarter last year is partly due to an increase in the market value of Reach and partly new investments in Chariot Ltd., offset by a somewhat reduced market value of Touchstone Exploration.

Total assets at the end of the quarter were NOK 324.7 million, down from NOK 339.0 million at the end of last quarter. The decrease is mainly due to reduction in cash of NOK 10.0 million and a decrease of the investment portfolio of NOK 5.3 million.

Total equity at the end of the quarter was NOK 308.7 million, down from NOK 371.2 million at the first quarter last year. The decrease is explained by total comprehensive loss of NOK 9.8 million last twelve months and by dividend payment to shareholders of NOK 52.8 million. The Company's equity ratio stood at 95.0 percent at the end of the quarter.

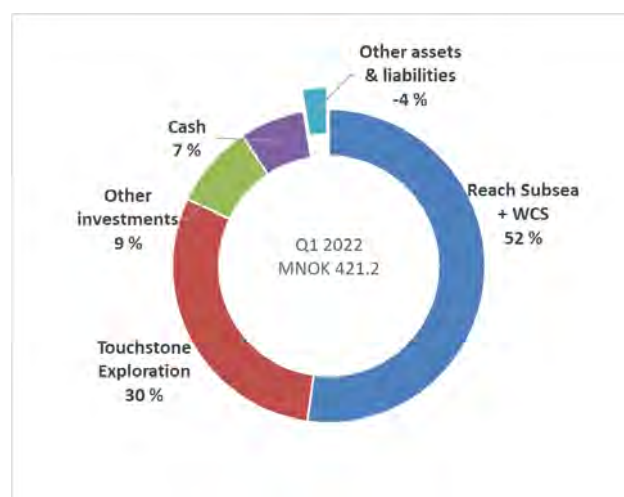
The Company has no interest-bearing debt.

North Energy recorded NOK 30.0 million in cash at the end of the quarter. This is down from NOK 40.0 million at the end of last quarter mainly due to new

investments of NOK 4.4 million and operating cash burn of NOK 5.6 million.

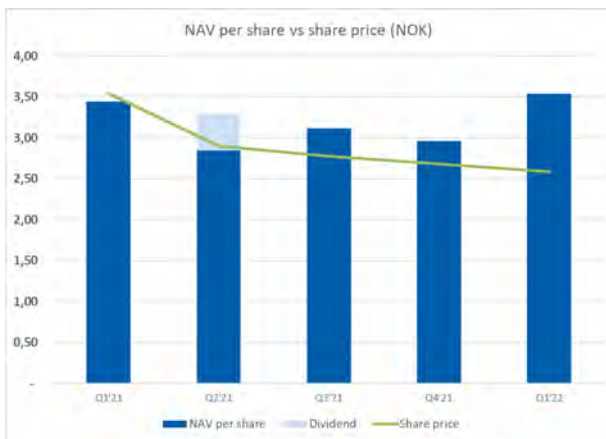
The Board regards the Company's financial position as solid.

Net asset value composition



Total market value of the investment portfolio was NOK 402.7 million at the end of the quarter. Including cash of NOK 30.0 million and net other assets and liabilities of negative NOK 11.4 million the net asset value for the company was NOK 421.2 million at the end of the quarter.

NAV per share vs. share price



The net asset value per share was NOK 3.54 while the share price at the end of the quarter was NOK 2.59, representing a discount of 27% compared to the net asset value per share.

Investments

Industrial holdings

Reach Subsea ASA

The main industrial investment is the shareholding in Reach Subsea ASA where North Energy has two representatives on the Board of Directors.

During the quarter, Reach announced two major strategic moves with the acquisition of iSurvey Group and the strategic agreement with Wilhelmsen New Energy. The acquisition of iSurvey Group adds valuable survey, data management and data processing capabilities to Reach's inhouse portfolio of services and adds important capabilities for the commercialization of Reach Remote. Wilhelmsen New Energy has invested NOK 150 million in Reach through a directed private placement in an agreement which forms part of a broader strategic partnership on the commercialization of Reach Remote.

After the equity issue of NOK 150 million towards Wilhelmsen New Energy the ownership for North Energy has been reduced to 21%. Thus, the ownership in Reach is still reported as an associated company.

The Company expects to continue as a major shareholder in Reach Subsea ASA and further develop the company as a leading subsea service provider, offering solutions to survey the seabed and solutions

for maintaining the integrity of the client's subsurface equipment and infrastructure.

As of the end of first quarter 2022, the investment in Reach is accounted for at a book value of NOK 111.0 million, down from NOK 122.8 million last quarter. The decrease is driven by North Energy's share of comprehensive loss of NOK 11.8 million.

For the first quarter, Reach reported a comprehensive loss of NOK 35.4 million, which is down from a comprehensive income of NOK 11.4 million reported the same quarter last year. The decrease is due to several factors, of which bad weather leading to project postponements and a large share of project days subject to low standby rates explaining most of the negative trading performance. Also, Reach has incurred and expensed transaction costs of NOK 7.5 million in relation to the iSurvey Group acquisition and the Wilhelmsen New Energy agreement.

Despite the weak start to the year, Reach announces that it is seeing healthy demand across all sectors for 2022, driven by higher oil & gas prices as well as strong demand from the renewable energy sector.

On Reach Remote, the initiative to revolutionize the way subsea services are delivered, the company states it has entered into the final building contract with Kongsberg Maritime and is on track for 2023 delivery.

The company is very well positioned for the future, with key strategic capabilities in place, a solid plan in place for reshaping the delivery model and backed by a strong financial position with more than NOK 300 million in cash and working and limited financial debt.

The company is listed on the Oslo Stock Exchange and as of the end of the first quarter, the company had a market capitalization of NOK 1.0 billion.

Wind Catching Systems AS

Wind Catching Systems holds a new innovative technology for floating offshore wind systems ("WCS technology"). The wind turbines are designed for all weather conditions, with the potential to produce electricity at a significantly lower cost and with substantially less use of space than any other known technology today. Together with its key technology partner Aibel AS and IFE (Institute for Energy Technology), and with support from Innovasjon Norge,

the company intends to finalize and commercialize the WCS technology.

WCS is accounted for as an associated company, hence North Energy consolidates its share of the net result from WCS. For the first quarter North Energy has consolidated a loss of NOK 1.1 million in the result. At the end of the first quarter, book value of the investment was NOK 10.2 million.

The company continues to develop its organization in parallel with maturing the technology and concept together with its key technology partners Aibel and IFE.

The development of the WCS technology is progressing as expected. The first stage of the wind tunnel testing in Milano, aimed at verifying some of the key design features, was completed during the summer of 2021. The results were encouraging, and the company has now verified that the tested design features revealed results on par with, or better than, assumptions used in the wind energy model. Further engineering work will continue in 2022 with key areas of focus being marine engineering and equipment design in partnership with Tier 1 equipment providers to optimize the operating performance of the unit. Discussions are also ongoing with respect to strategic partnerships and future client adoption for the WCS concept.

Financial investments

Touchstone Exploration Inc.

The Company's key financial investment is in Touchstone Exploration with an ownership interest of 6.0 per cent by the end of the fourth quarter.

During last quarter, the company published its year-end 2021 reserves report showing increased 3P gross reserves by 21% to 121 MMboe, increased 2P gross reserves by 16% to 75 MMBoe and increased 1P gross reserves by 13% to 39 MMBoe in 2021.

Construction of the Coho-1 facilities is ongoing, and the company expects production to commence in May 2021. Coho-1 was the first well drilled in the 5-well programme on the Ortoire Block. The company estimates the net future production rate from Coho-1 to be in the range from 1,300 - 1,600 barrels of oil equivalent (boe) per day, which will double the company's overall production.

The two Cascadura wells are targeted for production in the third quarter of 2022. The company estimates the net future production rate from Cascadura to be in the range of 10,000 - 13,000 boe per day, with additional upside from future development wells.

Touchstone expects production from the Ortoire block to increase cash flow significantly and contribute to a substantial reduction in volatility of future earnings. Based on the natural gas sales agreement with the National Gas Company of Trinidad and Tobago, Touchstone has secured offtake for all natural gas produced from the Ortoire license.

During 2022, the company expects to complete several new exploration wells including two wells in the Royston area, namely the Royston Deep well and the Kraken well. The objective of the new wells is both to de-risk the existing light oil discovery in Royston as well as target the unexplored deeper prospects in cretaceous sands.

Other financial investments

As of first quarter 2022 the Company has several minor investments in shares and bonds as part of its liquidity management, with a total value of NOK 16.7 million.

Strategy and outlook

In the first quarter of 2022 the global economy has seen increased uncertainty from higher energy prices as well as operational challenges related to supply chain issues and cost inflation. We expect a muted outlook for global growth in 2022 as the global economy faces significant headwinds on multiple fronts. To address inflationary pressures, central banks will likely raise interest rates significantly over the coming quarters.

Performance in global equity markets has been weak in the first quarter of 2022 with energy being the stand-out performer due to significantly higher energy prices. The war in Ukraine has been a major contributor in this regard, as prices for natural gas has reached extreme levels in the first quarter of 2021. We are also seeing early signs of demand destruction from higher energy prices which may result in some short-term price pressure.

Technology and growth-oriented sectors have been particularly weak in the first quarter of 2022 as

prospects for higher interest rates is increasingly priced into equity markets. Higher interest rates will also weigh on the performance of highly leveraged companies as interest rates moves towards more normalized territory.

We believe the long-term outlook for energy prices is positive as supply growth continues to be muted across most parts of the conventional energy markets. The transition to a low carbon economy will substantially change how energy is consumed with major demand changes likely emerging mostly from mid-2025 and onwards. Higher cost of conventional energy is also likely to accelerate the green transition as new energy solutions are becoming increasingly cost competitive. Electrification is a major part of this but requires substantial new investments in energy infrastructure, both in terms of transportation and storage capacity.

North Energy intends to further develop the company in accordance with its strategy, balancing investments in conventional energy markets with renewable energy opportunities. Through its holdings in Reach Subsea, Touchstone Exploration and Wind Catching Systems the Board believes the company is well positioned to

take advantage of continued demand growth for energy from both conventional and renewable sources.

The Company will seek to maintain optionality in order to successfully execute its long-term strategy and actively seek opportunities to develop and expand the industrial portfolio. However, in light of the significant uncertainties the Board still expect to take a cautious approach in the time to come.

For further elaboration of the Company's strategy, reference is made to the Company's webpage: www.northenergy.no



Financial statements first quarter 2022

INCOME STATEMENT

NOK 1 000	Note	Q1 2022 (unaudited)	Q1 2021 (unaudited)	Year 2021 (audited)
Sales		50	35	178
Payroll and related expenses		(2 239)	(1 133)	(9 165)
Depreciation and amortisation		(232)	(282)	(1 096)
Other operating expenses		(921)	(2 866)	(18 351)
		0	0	
Change in fair value of financial investments		3 270	(40 420)	(45 152)
Net result from investments in associates	11	(12 933)	3 672	26 862
Operating profit/(loss)		(13 005)	(40 994)	(46 724)
Financial income		393	255	593
Financial costs		(8)	(1)	(80)
Net financial items		384	254	512
Profit/(loss) before income tax		(12 621)	(40 740)	(46 212)
Income taxes	8	0	10 080	18 383
Profit/(loss) for the period		(12 621)	(30 660)	(27 829)
Attributable to:				
Owners of North Energy ASA		(12 621)	(30 660)	(27 829)
Non-controlling interests		0	0	0
		(12 621)	(30 660)	(27 829)
Earnings per share (NOK per share)				
- Basic		(0,11)	(0,26)	(0,24)
- Diluted		(0,11)	(0,26)	(0,24)

STATEMENT OF COMPREHENSIVE INCOME

NOK 1 000	Q1 2022 (unaudited)	Q1 2021 (unaudited)	Year 2021 (audited)
Profit/(loss) for the period	(12 621)	(30 660)	(27 829)
Other comprehensive income, net of tax			
Total other comprehensive income, net of tax	0	0	0
Total comprehensive income/(loss) for the period	(12 621)	(30 660)	(27 829)
Attributable to:			
Owners of North Energy ASA	(12 621)	(30 660)	(27 829)
Non-controlling interests	0	0	0
	(12 621)	(30 660)	(27 829)

STATEMENT OF FINANCIAL POSITION

NOK 1 000	Note	31.03.2022 (unaudited)	31.03.2021 (unaudited)	31.12.2021 (audited)
ASSETS				
Non-current assets				
Property, plant and equipment		188	124	148
Right-of-use assets	3,12	3 781	1 099	3 103
Other receivables		0	226	120
Investments in associates	11	128 379	115 041	141 312
Deferred tax asset	8	0	0	0
Total non-current assets		132 348	116 490	144 683
Current assets				
Trade and other receivables		608	393	195
Financial investments, current	9	161 764	147 326	154 129
Cash and cash equivalents		29 977	119 121	39 986
Total current assets		192 348	266 840	194 311
Total assets		324 696	383 329	338 993
EQUITY AND LIABILITIES				
Equity				
Share capital	5	119 047	119 047	119 047
Treasury shares	5	(3 411)	(3 411)	(3 411)
Share premium		850 378	903 141	850 378
Other paid-in capital		30 691	30 691	30 691
Retained earnings		(688 025)	(678 235)	(675 404)
Total equity		308 680	371 233	321 301
Liabilities				
Non-current liabilities				
Deferred tax liability	8	0	8 303	0
Leasing liabilities	3,12	3 495	24	2 531
Other non-current liabilities	13	0		2 513
Total non-current liabilities		3 495	8 326	5 044
Current liabilities				
Leasing liabilities, current	3,12	102	1 163	642
Trade creditors		80	340	30
Tax payable	8	0	0	0
Other current liabilities	13	12 341	2 268	11 977
Total current liabilities		12 522	3 770	12 649
Total liabilities		16 016	12 096	17 693
Total equity and liabilities		324 696	383 329	338 993

STATEMENT OF CHANGES IN EQUITY

NOK 1 000	Share capital	Treasury Shares	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity at 1 January 2021	119 047	(3 411)	903 141	30 691	(647 575)	401 893
Total comprehensive income for 01.01.21-31.03.21					(30 660)	(30 660)
Equity at 31 March 2021	119 047	(3 411)	903 141	30 691	(678 235)	371 233
Total comprehensive income for 01.04.21-31.12.21					2 831	2 831
Paid dividend			(52 763)			(52 763)
Equity at 31 December 2021	119 047	(3 411)	850 378	30 691	(675 404)	321 301
Total comprehensive income for 01.01.22-31.03.22					(12 621)	(12 621)
Equity at 31 March 2022	119 047	(3 411)	850 378	30 691	(688 025)	308 680

CASH FLOW STATEMENT

NOK 1 000	Q1 2022 (unaudited)	Q1 2021 (unaudited)	Year 2021 (audited)
Cash flow from operating activities			
Profit/(loss) before income tax	(12 621)	(40 740)	(46 212)
Adjustments:			
Depreciation	232	282	1 096
Pensions	258	32	138
Change in fair value of financial investments	(3 270)	40 420	45 152
Net result from investments in associates	12 933	(3 672)	(26 862)
Changes in current payables, receivables and other accruals	(2 989)	(209)	11 087
Net cash flow from operating activities	(5 457)	(3 887)	(15 600)
Cash flow from investing activities			
Purchase of property, plant, and equipment	(49)	0	(42)
Proceeds from sales of property, plant, and equipment	0	0	0
Investments in associates	0	0	(10 000)
Dividends from associates	0	0	6 919
Purchase of financial investments	(4 952)	(1 449)	(13 385)
Proceeds from sales of financial investments	587	5 125	5 526
Proceeds/payments from other non-current receivables	(138)	0	
Net cash flow from investing activities	(4 552)	3 676	(10 982)
Cash flow from financing activities			
Dividends paid from North Energy ASA	0	0	(52 763)
Net cash flow from financing activities	0	0	(52 763)
Net change in cash and cash equivalents	(10 010)	(211)	(79 345)
Cash and cash equivalents at beginning of the period	39 986	119 332	119 332
Cash and cash equivalents at end of the period	29 977	119 121	39 986

Notes to the interim financial statements for first quarter 2022

Note 1 - General and corporate information

These financial statements are the unaudited interim condensed financial statements of North Energy ASA for the first quarter of 2022. North Energy ASA is a public limited company incorporated and domiciled in Norway, with its main office located in Oslo. North Energy ASA's shares were listed on Oslo Axess (now Euronext Expand), an exchange regulated by the Euronext Stock Exchange, on 5 February 2010. The company's ticker is NORTH.

Note 2 - Basis of preparation

The interim accounts have been prepared in accordance with IAS 34 Interim Financial Reporting and the supplementary requirements in the Norwegian Securities Trading Act (Verdipapirhandelloven). The interim accounts do not include all the information required in the annual accounts and should therefore be read in conjunction with the annual accounts for 2021. The annual accounts for 2021 were prepared in accordance with the EU's approved IFRS.

Note 3 - Accounting policies

The accounting policies adopted in the preparation of the interim accounts are consistent with those followed in the preparation of the annual accounts for 2021. New standards, amendments, and interpretations to existing standards effective from 1 January 2022 did not have any significant impact on the financial statements.

Note 4 - Critical accounting estimates and judgements

The preparation of the interim accounts entails the use of judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised as assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances. The actual results may deviate from these estimates. The material assessments underlying the application of the company's accounting policies and the main sources of uncertainty are the same for the interim accounts as for the annual accounts for 2021.

Note 5 - Share capital

Number of outstanding shares at 1 January 2022	119 047 065
New shares issued during the period	0
Number of outstanding shares at 31 March 2022 *	119 047 065
Nominal value NOK per share at 31 March 2022	1
Share capital NOK at 31 March 2022	119 047 065

* Inclusive 1,795,472 treasury shares.

Note 6 - Business segments

The Group reports only one business segment which includes the investment activities.

Note 7 - Related parties

The company's transactions with related parties:

Purchase of services from	Description of services	Q1 2022	Q1 2021	Year 2021
Celisa Capital AS	Consultancy services	0	938	3 750
Isfjorden AS	Consultancy services	0	938	3 750

Note 8 - Income taxes

Specification of income tax	Q1 2022	Q1 2021	Year 2021
Tax payable	0	0	0
Change deferred tax asset	0	10 080	18 383
Total income taxes	0	10 080	18 383

Specification of temporary differences, tax losses carried forward, deferred tax	31.03.2022	31.03.2021	31.12.2021
Property, plant and equipment	3 633	861	2 939
Pensions	149	358	252
Leasing liabilities	(3 596)	(1 186)	(3 173)
Financial investments	107 793	109 386	104 448
Tax losses carried forward, onshore	(109 724)	(71 680)	(106 529)
Total basis for deferred tax asset	(1 745)	37 739	(2 063)
Deferred tax asset/(liability) before valuation allowance	(384)	(8 303)	454
Not capitalised deferred tax asset (valuation allowance)	384	0	(454)
Deferred tax asset/(liability)	0	(8 303)	0

Reconciliation of effective tax rate	Q1 2022	Q1 2021	Year 2021
Profit/(loss) before income tax	-12 621	(40 740)	(46 212)
Expected income tax 22%	2 777	8 963	10 167
Adjusted for tax effects (22%) of the following items:			
Permanent differences	-2 847	1 117	6 170
Adjustments previous years		0	2 500
Changed tax rates		0	0
Change in valuation allowance for deferred tax assets	70	0	(454)
Total income taxes	0	10 080	18 383

Note 9 - Financial investments

Financial investments are investments in shares and bonds. The main investments on 31 March 2022 consist of shares in Touchstone Exploration Ltd, Chariot Ltd and bonds in InterOil Exploration.

Note 10 - Fair value of financial instruments

The carrying amount of cash and cash equivalents and other current receivables is approximately equal to fair value, since these instruments have a short term to maturity. Similarly, the carrying amount of trade creditors and other current liabilities is approximately equal to fair value, since the effect of discounting is not significant, due to short term to maturity.

Fair value of the stock exchange-listed shares is the stock market price at the balance sheet date (level 1 in the fair value hierarchy). Fair value of bonds is based on quoted market prices at the balance sheet date (level 2 in the fair value hierarchy). Fair value of other non-listed investments is valued using the best information available in the circumstances including the entities' own data. (level 3 in the fair value hierarchy).

Specification of financial instruments based on level in the fair value hierarchy

Fair Value 31.03.2022	Level 1	Level 2	Level 3	Total
Shares	155 631		0	155 631
Bonds		6 133		6 133
Total fair value	155 631	6 133	0	161 764

There has been no transfer between level 1 and level 2 during 2022.

Reconciliation of level 3 in the fair value hierarchy	Level 3
Opening balance	0
Movement during the quarter	0
Closing balance	0

Note 11 - Investment in an associate

Reconciliation and specification of carrying amount of investment in associates:

	31.03.2022	31.03.2021	31.12.2021
Opening balance carrying amount of investments in associates	141 312	111 369	111 369
Acquisition cost additional shares acquired, Reach Subsea ASA	0	0	0
Acquisition cost shares acquired, Wind Catching Systems AS	0	0	10 000
Impairment/reversal of investment, Reach Subsea ASA	0	0	0
Share of net result in investment, Reach Subsea ASA	(11 841)	3 672	30 279
Share of net result in investment, Wind Catching Systems AS	(1 093)	0	(3 729)
Share of net result in investment, Tyveholmen AS	0	0	312
Dividend received, Reach Subsea ASA	0	0	(6 919)
Dividend received, Tyveholmen AS	0	0	0
Total carrying amount of investments in associates at balance date	128 379	115 041	141 312

Specification of net result from investment in an associate recognised in the income statement:

	Q1 2022	Q1 2021	Year 2021
Impairment / reversal of impairment of investment, Reach Subsea	0	0	0
Share of net result in investment, Reach Subsea	(11 841)	3 672	30 279
Share of net result in investment, Wind Catching Systems AS	(1 093)	0	(3 729)
Share of net result in investment, Tyveholmen	0	0	312
Net result from investments in associates	(12 933)	3 672	26 862

Note 12 - Leases

Right-of-use assets:

The Group leases office facilities. The Group's right-of-use assets are categorised and presented in the table below:

Right-of-use assets	Office facilities
Acquisition cost at 1 January 2022	7 438
Addition of right-of-use assets	3 755
Disposals of right-of-use assets	(2 854)
Acquisition cost at 31 March 2022	8 339
Accumulated depreciation and impairment 1 January 2022	(4 335)
Depreciation	(223)
Impairment	0
Accumulated depreciation and impairment 31 March 2022	(4 558)
Carrying amount of right-of-use assets 31 March 2022	3 781

Lower of remaining lease term or economic life	5.0 years
Depreciation method	Linear

Leasing liabilities:

Lease liabilities at 1 January 2022	3 172
Additions lease contracts	3 755
Disposals lease contracts	(2 933)
Accretion lease liabilities	29
Payments of lease liabilities	(428)
Total leasing liabilities 31 March 2022	3 596
Breakdown of lease debt:	
Short-term	672
Long-term	2 924
Total lease debt	3 596

Maturity of future undiscounted lease payments under non-cancellable lease agreements:

	31.03.2022
Within 1 year	822
1 to 5 years	3 288
After 5 years	-
Total	4 110

The leases do not impose any restrictions on the Company's dividend policy or financing opportunities.

Note 13 - Other current liabilities

On 6 May 2020 North Energy received a notice from the Norwegian Tax Administration informing that they are starting a control of North Energy ASA's accounts for the years 2016 up to and including 2019. On 13 December 2021, the company received the report from the control together with a notification of changes of VAT from the control period. On 28 February 2022, the company submitted their response to the notification expressing the company's view regarding the treatment of VAT during the control period which deviates from the view of the tax administration. On 26 April 2022, the tax administration issued their final decision on changes of VAT during the control period resulting in a claim of NOK 10 million which consist mainly of reclassifying deducted VAT to non-deductible VAT over the four-years period. The company does not agree with the conclusion from the tax administration and is currently assessing possibilities on how to refute the claim. To cover for a possible settlement of the claim a provision of NOK 7.5 million, as other operating expenses, was made in 2021.

In December 2021, the Board of North Energy announced that Mr. Knut Sæberg would retire from his position as CEO on 31 December 2021 and the Company made a provision of NOK 5.0 million (including employment tax) to cover for a severance payment to the former CEO. Half of the provision was paid in January 2022 while the rest of the provision, NOK 2.5 million, will be paid in January 2023 and is classified as other current liabilities.

Note 14 - Events after the balance sheet date

There are no subsequent events with significant accounting impacts that have occurred between the end of the reporting period and the date of this report that are not already reflected or disclosed in these interim financial statements.

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