



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	887 448 892
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	RYSTAD ENERGY AS
Forretningsadresse:	Fjordalléen 16 0250 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2019 - 31.12.2019
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Jarand Rystad
Dato for fastsettelse av årsregnskapet:	30.06.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 28.03.2023



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	224 542 000	191 433 000
Annen driftsinntekt	2	5 000 000	5 000 000
Sum inntekter		229 542 000	196 433 000
Kostnader			
Varekostnad		37 831 000	7 767 000
Lønnskostnad	3	139 096 000	137 064 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	3 750 000	2 386 000
Annen driftskostnad	3	47 538 000	37 982 000
Sum kostnader		228 215 000	185 199 000
Driftsresultat		1 327 000	11 234 000
Finansinntekter og finanskostnader			
Annen renteinntekt		84 000	39 000
Annen finansinntekt		6 049 000	4 619 000
Sum finansinntekter		6 133 000	4 658 000
Annen rentekostnad		812 000	369 000
Annen finanskostnad		1 479 000	1 025 000
Sum finanskostnader		2 291 000	1 394 000
Netto finans		3 842 000	3 264 000
Ordinært resultat før skattekostnad		5 169 000	14 498 000
Skattekostnad på ordinært resultat	4	129 000	2 240 000
Ordinært resultat etter skattekostnad		5 040 000	12 258 000
Årsresultat		5 040 000	12 258 000
Overføringer og disponeringer			
Ordinært utbytte	10	1 500 000	1 500 000
Overføringer til/fra annen egenkapital	10	3 540 000	10 758 000
Sum overføringer og disponeringer		5 040 000	12 258 000



Resultatregnskap

Beløp i: NOK	Note	2019	2018
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Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4	5 038 000	472 000
Sum immaterielle eiendeler		5 038 000	472 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	5	9 874 000	7 032 000
Sum varige driftsmidler		9 874 000	7 032 000
Finansielle anleggsmidler			
Investering i datterselskap	6	1 811 000	363 000
Lån til foretak i samme konsern	7	0	59 147 000
Andre fordringer			1 303 000
Sum finansielle anleggsmidler		1 811 000	60 813 000
Sum anleggsmidler		16 723 000	68 317 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		20 687 000	25 175 000
Andre fordringer		13 601 000	11 797 000
Konsernfordringer	7	55 834 000	0
Sum fordringer		90 122 000	36 972 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	8	10 622 000	7 326 000
Sum bankinnskudd, kontanter og lignende		10 622 000	7 326 000
Sum omløpsmidler		100 744 000	44 298 000
SUM EIENDELER		117 467 000	112 615 000



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9,10	244 000	236 000
Overkurs	10	7 816 000	7 206 000
Annen innskutt egenkapital	10	43 000	43 000
Sum innskutt egenkapital		8 103 000	7 485 000
Opptjent egenkapital			
Annen egenkapital	10	20 554 000	33 659 000
Sum opptjent egenkapital		20 554 000	33 659 000
Sum egenkapital		28 657 000	41 144 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	11	10 000 000	0
Sum annen langsiktig gjeld		10 000 000	0
Sum langsiktig gjeld		10 000 000	0
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	8	14 661 000	0
Leverandørgjeld		4 180 000	5 322 000
Betalbar skatt	4	0	2 140 000
Skyldige offentlige avgifter		18 444 000	17 993 000
Utbytte	10	1 500 000	1 500 000
Annen kortsiktig gjeld		27 217 000	0
Annen kortsiktig gjeld		12 808 000	44 516 000
Sum kortsiktig gjeld		78 810 000	71 471 000
Sum gjeld		88 810 000	71 471 000
SUM EGENKAPITAL OG GJELD		117 467 000	112 615 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	326 038 000	278 507 000
Annen driftsinntekt	2	5 000 000	5 000 000
Sum inntekter		331 038 000	283 507 000
Kostnader			
Varekostnad		0	6 782 000
Lønnskostnad	3	242 668 000	200 337 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	4 223 000	2 782 000
Annen driftskostnad	3	75 881 000	61 237 000
Sum kostnader		322 772 000	271 138 000
Driftsresultat		8 266 000	12 369 000
Finansinntekter og finanskostnader			
Annen renteinntekt		194 000	104 000
Annen finansinntekt		3 684 000	5 760 000
Sum finansinntekter		3 878 000	5 864 000
Annen rentekostnad		836 000	373 000
Annen finanskostnad		2 459 000	1 080 000
Sum finanskostnader		3 295 000	1 453 000
Netto finans		583 000	4 411 000
Ordinært resultat før skattekostnad		8 849 000	16 780 000
Skattekostnad på ordinært resultat	4	4 036 000	2 507 000
Ordinært resultat etter skattekostnad		4 813 000	14 273 000
Årsresultat		4 813 000	14 273 000
Overføringer og disponeringer			
Ordinært utbytte	10	1 500 000	1 500 000
Overføringer til/fra annen egenkapital	10	3 313 000	12 773 000
Sum overføringer og disponeringer		4 813 000	14 273 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2019	2018
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Konsernets balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4	8 243 000	2 286 000
Sum immaterielle eiendeler		8 243 000	2 286 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	5	12 477 000	9 281 000
Sum varige driftsmidler		12 477 000	9 281 000
Finansielle anleggsmidler			
Andre fordringer			1 911 000
Sum finansielle anleggsmidler			1 911 000
Sum anleggsmidler		20 720 000	13 478 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		91 719 000	64 809 000
Andre fordringer		20 077 000	15 507 000
Sum fordringer		111 796 000	80 316 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	8	21 930 000	20 844 000
Sum bankinnskudd, kontanter og lignende		21 930 000	20 844 000
Sum omløpsmidler		133 726 000	101 160 000
SUM EIENDELER		154 446 000	114 638 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Konsernets balanse

Beløp i: NOK	Note	2019	2018
Innskutt egenkapital			
Selskapskapital	9,10	244 000	236 000
Overkurs	10	7 816 000	7 206 000
Annen innskutt egenkapital	10	43 000	43 000
Sum innskutt egenkapital		8 103 000	7 485 000
Opptjent egenkapital			
Annen egenkapital	10	-51 932 000	21 282 000
Sum opptjent egenkapital		-51 932 000	21 282 000
Sum egenkapital		-43 829 000	28 767 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	11	10 000 000	0
Sum annen langsiktig gjeld		10 000 000	0
Sum langsiktig gjeld		10 000 000	0
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	8	14 661 000	0
Leverandørgjeld		4 825 000	5 836 000
Betalbar skatt	4	1 562 000	2 404 000
Skyldige offentlige avgifter		24 841 000	21 527 000
Utbytte	10	1 500 000	1 500 000
Annen kortsiktig gjeld		122 103 000	0
Annen kortsiktig gjeld		18 783 000	54 604 000
Sum kortsiktig gjeld		188 275 000	85 871 000
Sum gjeld		198 275 000	85 871 000
SUM EGENKAPITAL OG GJELD		154 446 000	114 638 000
POSTER UTENOM BALANSEN			
Garantistillelser		0	0



Skatteetaten

Vår dato
28.10.2019

Din/Deres dato
27.09.2019

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR337393781

Telefon
32212244

Org.nr
974761076

Vår referanse
2019/6484656

Postadresse
Postboks 9200 Grønland
0134 OSLO

U.off. offl. § 13, sktfvl. § 3-1, sktbl. § 3-2

RYSTAD ENERGY AS
Fjordalléen 16
0250 OSLO

Att. Sivert Petter Dyrkorn

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Rystad Energy AS, org.nr. 887 448 892

Vi viser til deres brev av 27. september 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Rystad Energy AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Rystad Energy AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Rystad Energy AS operer i et internasjonalt marked hvor leserne av regnskapet i all vesentlighet benytter engelsk språk. Selskapet opererer innen strategisk rådgivning i petroleumsindustrien, og kundene er hovedsakelig oljeserviceselskaper, investorer, investeringsbanker og myndigheter. Selskapet eies av i overkant av 50 aksjonærer, hvor de største eierne er private investeringsselskaper og en mindre andel er utenlandske.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig



prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



MOA REVISJON AS

Statsautorisert revisor – siviløkonom. Medlem av DnR.
Autorisert regnskapsførerselskap

Revisor- og
organisasjonsnummer:
NO 991 456 147 MVA

Daaeskogen Næringsbygg
Pb 8025, Spjelkavik
6022 ÅLESUND

Telefon 70 15 26 60
Telefaks 70 15 26 61

E-post post@moa-revisjon.no

To the Shareholders' Meeting of Rystad Energy AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Rystad Energy AS (the Company), showing a profit of NOK 5 040 067 in the financial statements of the parent company and a profit of NOK 4 813 179 in the financial statements of the group, in our opinion:

- The financial statements are prepared in accordance with laws and regulations
- The accompanying financial statements give a true and fair view of the financial position of the parent company as at December 31, 2019, and (of) its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at December 31, 2019, and (of) its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at December 31, 2019, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at December 31, 2019, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 as required by laws and regulations, 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



Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

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 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 there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Groups's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the Company or Group will cease operations.

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 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, Group or both 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 those charged with governance 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.

Report on Other Legal and Regulatory Requirements

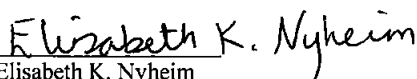
Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Ålesund, 22.06.2020
Moa Revisjon AS


Elisabeth K. Nyheim
Registered Public Accountant





RYSTAD ENERGY

RYSTAD ENERGY AS
PARENT COMPANY AND GROUP
ANNUAL REPORT 2019

Norwegian organisation number: 887 448 892

Rystad Energy AS
Fjordalléen 16
0250 Oslo
Norway
www.rystadenergy.com



Rystad Energy AS
Board of directors report



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December 2019

Summary of the business

Rystad Energy ("RE") was established in 2004 in Oslo. The RE group is headquartered in Oslo, with representative offices of Rystad Energy AS (the "company" or "parent company") in Russia and Dubai, and subsidiaries in Australia, Brazil, India, Japan, Singapore, Slovakia, UK and USA.

The RE group provides market intelligence to its clients, through the sale of access to its information databases or "Cubes" and to its analytics library containing a whole series of commercial reports, company, asset or sector factsheets, weekly commentaries, market presentations and more. The group's main information database product is UCube, an upstream, field by field database which provides a complete picture of the global upstream oil and gas industry covering more than 65,000 assets and 3,200 E&P companies globally. Other cubes and analytics cover oilfield services, North American shale oil and gas markets and renewable energy markets. The information databases contain publicly available information sources with high credibility and transparency. These include company reports, investor presentations and press releases, governmental sources, as well as public institutions such as IEA, OPEC, USGS, and NPD. Over 1,000 companies are tracked continuously with all sourced data converted to the same level and definition within the products to ensure consistency. The bottom-up data is verified by top-down benchmarks, with minimal deviation allowed.

The RE group employs a large team of analysts who are continually updating the contents of the information databases and analytics library. Most of the analysts work in Oslo, with teams also located in Australia, India, Slovakia, Singapore, UK and USA. A geographical spread of the analyst team in the main global energy hubs ensures proximity to information about the local and regional oil and gas markets, and leading players in these markets.

In addition, the group also provides tailored consulting advice, supporting energy companies, oil field services and technology companies, investors and government organizations with insights and analysis ranging from global macro trends to detailed due diligence, transaction or other projects. The group combines its extensive industry expertise with complete access to its market intelligence to deliver advice and reports within the following areas: strategy and business development, company or asset valuation, mergers & acquisitions, oil service market assessments, peer group benchmarking, gas markets and infrastructure, oil and gas macro analysis, offshore wind and power markets and energy transition and carbon emissions.

Results for the year and financial position

Total operating revenue in the parent company increased from NOK 196 million in 2018 to NOK 230 million in 2019, and in the group from NOK 284 million in 2018 to NOK 331 million in 2019; in both cases by 17%. With effect from 1st January 2019, income from the sale of access to information databases and the analytics library is being deferred and recognised on a linear basis over the period of access. This new accounting policy has had the impact of reducing revenue growth in 2019 compared to 2018. Without this, revenue growth in 2019 would have been 18% in the parent company and 27% in the group.

As an integral part of group strategy, this increase in net revenues is a result of the group's international expansion with profits generated being reinvested in future growth opportunities and an increase in employee numbers during the year from 98 to 126 in the parent company and 168 to 224 in the group. This explains the increase in operating costs. After net financial items, the pre-tax profit in the parent company in 2019 was NOK 5 million and in the group was NOK 9 million.

The implementation of the new accounting policy resulted in an opening balance sheet adjustment to other equity of NOK 17 million in the parent company and NOK 74 million in the group. After these adjustments, total equity in the parent company at 31 December 2019 was NOK 29 million and in the group was NOK -44 million. To support the funding of its strategic plans, the company entered into an 8 year, NOK 10 million loan agreement with Innovation Norway (Innovasjon Norge) in July 2019.

Going concern

The annual accounts have been prepared on a going concern basis, and in the opinion of the Board, the accounts provide a fair representation of the company's business and financial results. The Board confirms that the going concern assumption has been satisfied.

Environment and employees

There were 368 days of sick leave (1.7%) in the parent company in 2019, and all sick leave is monitored and reported. Throughout 2019 no accidents resulting in serious injury or material damage were reported. The workplace environment is considered to be positive and improvements are made on a continuous basis.



Rystad Energy AS
Board of directors report



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December 2019

The group's activities impact on the environment to only a minor degree, with the main contributor being air travel. Overall in 2019, the use of online conferencing and other digital collaboration tools increased, and with the onset of the Covid-19 pandemic replaced air and other forms of travel almost completely.

Equal opportunity and diversity

The group has the clear aim of ensuring that in the working environment, there is equal opportunity between women and men, and in its policies has incorporated measures to ensure that there is no gender discrimination on matters such as a salaries, promotion and recruitment. The group has traditionally recruited from sources where women and men are equally represented.

At 31 December 2019, the company had 126 employees of which 40 were women and 86 were men. For the group, there were 73 women and 153 men out of a total of 226. Active steps are being taken to increase the proportion of female employees and managers. The company is focusing on gender diversity as a part of an empowering environment and progress has been made in attracting, retaining and progressing women.

The Norwegian Anti-discrimination Act aims to promote equal opportunities and rights, and prevent discrimination based on gender, ethnicity, nationality, lineage, skin colour, language, religion, or any sexual, spiritual or other affiliation. The group works actively, purposefully, and systematically to promote and ensure that it adheres to and incorporates the fundamental principles laid out by the Anti-discrimination Act into its activities. These activities are targeted at recruitment, salary and working conditions, promotion, development, and protection against harassment. The group strives to be a workplace where there is no discrimination on grounds of mental disability or physical limitations and works actively to design and facilitate the physical environment in a way so that it can be accessible to as many as possible. Employees and applicants with reduced abilities will receive individual solutions in order to facilitate their workplace environment and responsibilities.

Appropriation of profit for the year

The Board proposes that the parent company's profit for the year be allocated as follows:

Dividend	NOK 1.500.000
Transfer to other equity:	NOK 3.540.000

Future prospects

The group's future prospects continue to be good, with the market and group's competitive position positive, and new products and geographical locations performing well.

At the time of writing this report, the Covid-19 pandemic has caused countries, organisations and companies to implement extraordinary measures to mitigate the risk of infection and further spread of the virus. The group has followed all precautionary measures imposed by local health authorities to protect employees, their families and the local communities in general. The group's entities have moved most functions to home offices and has been able to ensure business continuity.

The full extent, consequences and duration of the Covid-19 pandemic is not possible to predict but at the time of writing this report, the group is not experiencing any significant reduction in the demand for its services and the liquidity situation is both satisfactory and currently sustainable.

Oslo, 22 June 2020

Jarand Rystad
Chairman of the Board and
Chief Executive Officer

Arne Gulbrandsen
Board Member

Erik Wold
Board Member

Rystad Energy AS
Income statement

RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December	Note	Parent company		Group	
		2019	2018	2019	2018
Net invoiced revenue		224,542	191,433	326,038	278,507
Other operating revenue		5,000	5,000	5,000	5,000
Total operating revenue	2	229,542	196,433	331,038	283,507
Cost of products and services		-37,831	-7,767	0	-6,782
Personnel costs	3	-139,096	-137,064	-242,668	-200,337
Depreciation of tangible fixed assets	5	-3,750	-2,386	-4,223	-2,782
Other operating expenses	3	-47,538	-37,982	-75,881	-61,237
Total operating expenses		-228,215	-185,199	-322,772	-271,138
Operating profit		1,327	11,234	8,266	12,369
Interest income		84	39	194	104
Other financial income		6,049	4,619	3,684	5,760
Interest expenses		-812	-369	-836	-373
Other financial expenses		-1,479	-1,025	-2,459	-1,080
Net financial items		3,842	3,264	583	4,411
Pre-tax profit		5,169	14,498	8,849	16,780
Tax	4	-129	-2,240	-4,036	-2,507
Result for the year		5,040	12,258	4,813	14,273
<u>Allocations:</u>					
Dividends	10	1,500	1,500		
Transfer to other equity	10	3,540	10,758		
		5,040	12,258		



Rystad Energy AS
Balance sheet



RYSTAD ENERGY

All figures in NOK'000s

As at 31 December	Note	Parent company		Group	
		2019	2018	2019	2018
Deferred tax asset	4	5,038	472	8,243	2,286
Tangible fixed assets	5	9,874	7,032	12,477	9,281
Investment in subsidiary companies	6	1,811	363	0	0
Receivables from group companies	7	0	59,147	0	0
Other long term assets		0	1,303	0	1,911
Total non-current assets		16,723	68,317	20,720	13,478
Accounts receivable		20,687	25,175	91,719	64,809
Other receivables and short term assets		13,601	11,797	20,077	15,507
Receivables from group companies	7	55,834	0	0	0
Cash, bank and short term deposits	8	10,622	7,326	21,930	20,844
Total current assets		100,744	44,298	133,726	101,160
Total assets		117,467	112,615	154,446	114,638
Share capital	9/10	244	236	244	236
Share premium	10	7,816	7,206	7,816	7,206
Other paid in capital	10	43	43	43	43
Total paid in capital		8,103	7,485	8,103	7,485
Other equity	10	20,554	33,659	-51,932	21,282
Total equity		28,657	41,144	-43,829	28,767
Long term interest bearing loans	11	10,000	0	10,000	0
Total long term liabilities		10,000	0	10,000	0
Accounts payable		4,180	5,322	4,825	5,836
Bank overdraft	8	14,661	0	14,661	0
Income tax payable	4	0	2,140	1,562	2,404
VAT, payroll and other indirect taxes		18,444	17,993	24,841	21,527
Dividends payable	10	1,500	1,500	1,500	1,500
Deferred revenue		27,217	0	122,103	0
Other current liabilities		12,808	44,516	18,783	54,604
Total current liabilities		78,810	71,471	188,275	85,871
Total equity & liabilities		117,467	112,615	154,446	114,638

Oslo, 22 June 2020

Jarand Rystad
Chairman of the Board and
Chief Executive Officer

Arne Gulbrandsen
Board Member

Erik Wold
Board Member

Rystad Energy AS
Cash flow statement

RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December	Note	Parent company		Group	
		2019	2018	2019	2018
Cash flow from operating activities					
Profit for the year before tax		5,169	14,498	8,849	16,780
Income taxes paid in the period		-2,140	-3,063	-2,817	-3,103
<u>Adjustment for non-cash items:</u>					
Depreciation		3,750	2,386	4,223	2,782
Change in deferred revenue		1,306	0	29,628	0
<u>Operating capital adjustments:</u>					
Change in balances with group companies		3,313	0	0	0
Change in accounts receivable		4,488	-10,085	-26,910	-34,518
Change in accounts payable		-1,142	1,296	-1,011	1,539
Change in other current assets & liabilities		-27,187	18,203	-23,482	25,793
Foreign exchange effects and other items		0	0	-3,761	930
Net cash flow from operating activities		-12,442	23,235	-15,282	10,203
Cash flow from investing activities					
Purchase of tangible fixed assets		-6,593	-5,441	-7,412	-7,708
Investment in group companies		-1,448	0	0	60
Change in other long term assets		0	-183	0	1,073
Net cash flow from investing activities		-8,041	-5,624	-7,412	-6,575
Cash flow from financing activities					
Proceeds from the issue of new shares		618	539	618	539
New interest bearing loans		10,000	0	10,000	0
Dividends paid		-1,500	-1,500	-1,500	-1,500
Change in balances with group companies		0	-19,756	0	0
Net cash flow from financing activities		9,118	-20,717	9,118	-961
Net cash flow during the year		-11,365	-3,106	-13,575	2,667
Cash and cash equivalents at 1 January		7,326	10,432	20,844	18,177
Cash and cash equivalents at 31 December	8	-4,039	7,326	7,269	20,844



Rystad Energy AS
Notes to the financial statements

All figures in NOK'000s

Year ended 31 December 2019



RYSTAD ENERGY

Note 1: Summary of significant accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles in effect at 31 December 2019, and consist of the income statement, balance sheet, cash flow statement and notes to the accounts. The financial statements are presented in Norwegian kroner (NOK) and all values are rounded to the nearest thousand (NOK'000s) except where otherwise indicated.

Consolidation

The group accounts include Rystad Energy AS (the parent company) and all companies in which the parent company has a controlling influence. Controlling influence is normally achieved when a company owns more than 50% of the voting shares and can exercise operating and financial control. All subsidiaries are 100% owned and there are no non-controlling interests nor investments in associated companies.

The group accounts have been prepared using uniform accounting principles and transactions and balances between group companies are eliminated on consolidation.

Business combinations are accounted for using the acquisition method with companies that are bought or sold during the year included in the group accounts from the time when control is achieved and until it ceases. There were no business combinations in 2019.

Use of estimates

The financial statements have been prepared using assumptions and estimates that affect the income statement, the valuation of assets and liabilities as well as the determination of contingent assets and liabilities at the year end. The best estimates of management at the time of preparing the financial statements have been used, in accordance with generally accepted accounting principles, but the actual figures may deviate from these estimates once they are realised.

Foreign currency

Transactions in a currency other than Norwegian kroner are recognised at the exchange rate in effect on the transaction date. When such transactions are settled, any difference in the exchange rate will give rise to a realised exchange rate gain or loss. Monetary assets or liabilities in a currency other than Norwegian kroner are translated at the exchange rates on each balance sheet date and will give rise to an unrealised exchange rate gain or loss. Both realised and unrealised exchange rate differences are recognised in net financial items in the income statement.

Revenue

Income from sales is accounted for when delivery has taken place and the risks and rewards of ownership have passed to the client. Income from the sale of access to information databases and the analytics library is deferred and recognised on a linear basis over the period of access. This represents a change in accounting policy from previous years when only a percentage of this revenue was deferred. In the opinion of management, this accounting policy change ensures that the company recognises revenue in line with its performance obligation throughout the period of access. In accordance with generally accepted accounting principles, the implementation effect of this accounting policy changes has been accounted for as a restatement of opening equity as shown in note 10.

Income from the sale of consulting and other services is recognised over time in line with project completion and once the outcome of the project can be estimated with reasonable certainty.

Taxes

The tax charge in the income statement is made up of income taxes payable and the change in deferred taxes. Deferred taxes are calculated on the temporary differences between the tax basis of assets and liabilities and their values in the financial statements at the reporting date, as well as on available tax losses carried forward. A net deferred tax asset is recognised in the balance sheet to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.



Rystad Energy AS
Notes to the financial statements

All figures in NOK'000s

Year ended 31 December 2019



Note 1: Summary of significant accounting policies (continued)

Classification and valuation of balance sheet items

Current assets and liabilities include items due less than one year from the reporting date and items tied to the operating cycle, if longer. Other assets and liabilities are classified as non-current assets and long term liabilities respectively.

Current assets are valued at the lower of cost and fair value. Non-current assets are valued at historical cost less depreciation and impairment. Current and long term liabilities are recognised in the balance sheet at their nominal value at the time of establishment.

Tangible fixed assets

Tangible fixed assets are recorded in the balance sheet and depreciated on a linear basis over their useful economic lives. Repair and maintenance costs are expensed as incurred whilst fixed asset additions or improvements are added to the historic cost of the asset and depreciated over the remaining useful economic lives of the assets. If the recoverable amount is less than the balance sheet value, the balance sheet value is reduced to the recoverable amount which is the highest of net sales value or value in use. Value in use is the current value of the future cash flows that the asset will generate.

Investments

Investments in subsidiaries are accounted for by the parent company using the cost method. These investments are recorded at the cost of the shares and will be written down or impaired to fair value when a fall in value is due to reasons that cannot be assumed to be temporary and are necessary according to generally accepted accounting principles. Impairments are reversed when there is no longer a basis for impairment.

Dividends, group tax contributions and other distributions from subsidiary companies are recognised in the income statement when the subsidiary has proposed and accrued these distributions.

Receivables and other current assets

Receivables and other current assets are recorded in the balance sheet at face value less any provision for expected losses. This provision is based on individual assessment of each receivable. In addition, a further loss provision is booked to cover unspecified losses from other receivables.

Defined contribution pension plans

Companies in the group operate a defined contribution pension plan under which the company pays contributions to privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as personnel costs when they are due. The company has no legal or constructive obligation to pay further pension contributions.

The parent company in Norway has a defined contribution pension plan which fulfills the company's obligations under the Norwegian occupational pension legislation.

Cash flow statement

The cash flow statement is prepared according to the indirect method which reconciles the change in cash, short term deposits and bank overdraft balances to the profit for the year before tax. Cash flows are divided into cash flows from operating activities, investing activities and financing activities. Cash and short term deposits consist of cash and cash equivalents as well as immediately available balances with banks and similar institutions. Short term deposits are easily and readily convertible to a known amount of cash and have a maturity of not more than three months.



Rystad Energy AS
Notes to the financial statements



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December

Note 2: Revenue by business area

	<u>Parent company</u>		<u>Group</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Client services	224,542	191,433	326,038	278,507
SkatteFUNN grant	5,000	5,000	5,000	5,000
	<u>229,542</u>	<u>196,433</u>	<u>331,038</u>	<u>283,507</u>

The parent company has received a SkatteFUNN grant for its "Technology project 2018-2019". SkatteFUNN is a tax incentive scheme provided by the Norwegian government to stimulate research and development. This grant allocation for 2019 of NOK 5 million has been recognised in the income statement as other operating income, and the receivable at 31 December 2019 is classified in the balance sheet as other receivables and short term assets.

Total costs incurred on this project in 2019 amounted to TNOK 32,722. These have been expensed as personnel cost and other operating expenses in the income statement.

Note 3: Personnel costs

	<u>Parent company</u>		<u>Group</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salaries and other benefits paid	110,897	110,946	203,251	167,567
Social security costs & payroll taxes	16,752	15,503	23,048	16,765
Defined contribution pension costs	3,264	3,014	5,418	7,383
Other personnel costs	8,183	7,601	10,951	8,622
	<u>139,096</u>	<u>137,064</u>	<u>242,668</u>	<u>200,337</u>
Number of full time equivalents (FTEs) at 31 December	<u>126</u>	<u>98</u>	<u>224</u>	<u>168</u>

All employees in Norway are covered by a defined contribution pension plan which fulfills the company's obligations under the Norwegian occupational pension legislation.

Remuneration to the Chief Executive Office ("CEO") and Board Members

	<u>Chief Executive Officer</u>	<u>Other Board Members</u>
Salaries and other benefits paid	7,819	7,709
	<u>7,819</u>	<u>7,709</u>

Fees to auditors are as follows:

	<u>Parent company</u>		<u>Group</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Fees for statutory auditing, as agreed for the financial year	200	170	382	264
Fees for other services	6	0	57	0
	<u>206</u>	<u>170</u>	<u>439</u>	<u>264</u>



Rystad Energy AS
Notes to the financial statements



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December

Note 4: Taxes

The major components of income tax reported in the income statement were:

	<u>Parent company</u>		<u>Group</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Income tax expense	0	2,140	1,976	2,407
Change in deferred taxes	129	100	2,060	100
Total tax expense	129	2,240	4,036	2,507
<u>Calculation of the income tax base</u>				
Profit before tax	5,169	14,498	8,849	16,780
Permanent differences	-4,582	-4,855	-2,439	-4,855
Change in temporary differences	-1,108	-341	-1,103	-3,587
Transfer to tax losses carried forward	521	0	3,392	0
Current year income tax base	0	9,302	8,699	8,338
Current year income tax payable	0	2,140	1,976	2,407
<u>Income taxes payable</u>				
At 1 January	2,140	3,063	2,404	3,103
Income tax expense	0	2,140	1,976	2,407
Income taxes paid	-2,140	-3,063	-2,817	-3,103
Exchange differences	0	0	-1	-3
At 31 December	0	2,140	1,562	2,404
<u>Calculation of the deferred tax base</u>				
Temporary differences:				
Fixed assets	6	-145	126	-145
Other receivables & assets	-500	-2,000	-500	-2,000
Other payables & liabilities	-543	0	-668	0
Tax losses carried forward	-21,861	0	-63,180	-14,331
Temporary differences not recognised	0	0	24,453	11,227
Basis for deferred taxes	-22,898	-2,145	-39,769	-5,249
Net deferred tax asset	5,038	472	8,243	2,286

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that they can be utilised against future taxable profits. Significant judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with future tax planning strategies.



Rystad Energy AS
Notes to the financial statements



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December

Note 5: Tangible fixed assets

Tangible fixed assets comprise office equipment, fixtures and fittings. These assets are depreciated on a straight-line basis over their economic useful lives of 3-5 years.

	<u>Parent company</u>		<u>Group</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Acquisition/purchase cost</u>				
At 1 January	17,338	11,897	20,230	12,522
Additions	6,593	5,441	7,412	7,708
Exchange differences	0	0	7	0
At 31 December	23,931	17,338	27,649	20,230
<u>Accumulated depreciation</u>				
At 1 January	10,306	7,920	10,949	8,167
Depreciation charge for the year	3,750	2,386	4,223	2,782
At 31 December	14,056	10,306	15,172	10,949
<u>Net book value</u>				
At 31 December	9,874	7,032	12,477	9,281

Note 6: Investment in subsidiaries

	<u>Country</u>	<u>% ownership</u>	<u>Equity at year end</u>	<u>Result for the year</u>	<u>Book value 2019</u>
<u>Subsidiaries of Rystad Energy AS</u>					
Rystad Energy Inc	USA	100%	-33,560	4,232	0
Rystad Energy Asia Pte Ltd	Singapore	100%	-26,653	-13,213	303
Rystad Energy Ltd	UK	100%	-14,120	3,176	0
Rystad Energy do Brasil Consultoria Ltda	Brazil	100%	1,626	-327	1,460
Rystad Energy Slovakia s.r.o.	Slovakia	100%	88	160	48
					1,811
<u>Subsidiaries of Rystad Energy Asia Pte Ltd</u>					
Rystad Energy Pty Ltd	Australia	100%	620	329	1
Rystad Energy Japan K.K.	Japan	100%	559	93	439
Rystad Energy India Private Ltd	India	100%	1,458	812	14
Energy Research Analytics Pty Ltd	Australia	100%	-237	-237	469
					923

Note 7: Receivables from/(payables to) group companies

	<u>Parent company</u>	
	<u>2019</u>	<u>2018</u>
Rystad Energy Inc, USA	20,712	25,928
Rystad Energy Asia Pte Ltd, Singapore	24,404	17,821
Rystad Energy Ltd, UK	10,110	14,892
Rystad Energy Slovakia s.r.o., Slovakia	109	159
Rystad Energy Pty Ltd, Australia	1,044	741
Rystad Energy Japan K.K, Japan	0	239
Rystad Energy India Private Ltd, India	-545	-725
Energy Research Analytics Pty Ltd, Australia	0	92
	55,834	59,147

Balances with group companies have been reclassified from long term to short term at 31 December 2019.



Rystad Energy AS
Notes to the financial statements



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December

Note 8: Cash, bank and bank overdraft

	Parent company		Group	
	2019	2018	2019	2018
Cash and cash equivalents in the cash flow statement are made up of the following:				
Cash, bank and short term deposits	10,622	7,326	21,930	20,844
Bank overdraft	-14,661	0	-14,661	0
	<u>-4,039</u>	<u>7,326</u>	<u>7,269</u>	<u>20,844</u>
Cash, bank and short term deposits includes the following:				
Tax deductions from employee payroll	<u>7,806</u>	<u>7,148</u>	<u>7,806</u>	<u>7,148</u>

The parent company had a bank overdraft facility with Handelsbanken Norway branch of kr 20 million at 31 December 2019, which was increased to kr 30 million in March 2020. This facility is secured by a charge over accounts receivable through two instruments of kr 30 million and kr 20 million respectively; a total of kr 50 million. The bank overdraft facility has the following covenants, measured at 31 December each year:

1. The Rystad Energy Group shall have a pre-tax profit; and
2. The Rystad Energy Group shall have an equity ratio of more than 25%.

With the change in accounting policy described in note 1 and the implementation effect booked to equity of 74 million, shown in note 10, the Rystad Energy Group fulfilled the pre-tax profit covenant but was in breach of the equity ratio covenant.

The parent company obtained a waiver for this breach of covenant on 17 June 2020 according to which the measurement of the equity ratio covenant was transferred from the Rystad Energy Group to the parent company with effect from 1st January 2019, the effective date of implementing the accounting policy change, and the ratio for 2019 was reset to 20%, to be increased to 25% from 2020 onwards. In addition, a new covenant requirement was introduced requiring approval for any new external debt in the Rystad Energy Group. The parent company was in compliance with the conditions of this waiver at 31 December 2019.

Note 9: Share capital and share ownership

The share capital of the parent company is 244,095 shares with a nominal value of NOK 1,- per share. The share capital is divided into two share classes as follows:

	Number of shares	Nominal value per share NOK	Total share capital NOK	Voting rights per share	Dividend rights per share
A shares	34,000	1.00	34,000	1	1
B shares	<u>210,095</u>	1.00	<u>210,095</u>	0	1
	<u>244,095</u>	1.00	<u>244,095</u>		

Name of shareholder	Company officer	Class of share	Number of shares	Ownership %
Viganor AS	Chairman of the Board & Chief Executive Officer	A	34,000	13.9%
Viganor AS	Chairman of the Board & Chief Executive Officer	B	66,400	27.2%
Amacel AS		B	25,350	10.4%
Per Magnus Nysveen		B	24,550	10.1%
Wullfwold AS	Board member	B	20,812	8.5%
Argu Invest AS	Board member	B	20,712	8.5%
Other shareholders less than 5%		B	<u>52,271</u>	<u>21.4%</u>
			<u>244,095</u>	<u>100.0%</u>



Rystad Energy AS
Notes to the financial statements



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December

Note 10: Changes in equity

	Share capital	Share premium	Other paid-in capital	Other equity	Total equity
Parent company					
At 31 December 2018	236	7,206	43	33,659	41,144
Accounting policy implementation at 1 January 2019	0	0	0	-16,645	-16,645
Restated opening balance	236	7,206	43	17,014	24,499
Share increase during the year	8	610	0	0	618
Result for the year	0	0	0	5,040	5,040
Proposed dividend	0	0	0	-1,500	-1,500
At 31 December 2019	244	7,816	43	20,554	28,657
Group					
At 31 December 2018	236	7,206	43	21,282	28,767
Accounting policy implementation at 1 January 2019	0	0	0	-74,040	-74,040
Restated opening balance	236	7,206	43	-52,758	-45,273
Share increase during the year	8	610	0	0	618
Result for the year	0	0	0	4,813	4,813
Currency translation effects	0	0	0	-2,487	-2,487
Proposed dividend	0	0	0	-1,500	-1,500
At 31 December 2019	244	7,816	43	-51,932	-43,829

As described in more detail in note 1, the accounting policy for the recognition of income on product sales was changed in 2019. The implementation effect of this change is included in the restatement of the opening balance of other equity in the parent company and group tables above.

Note 11: Long term interest bearing loans

In July 2019, the parent company entered into an eight year loan agreement with Innovation Norway (Innovasjon Norge). The nominal amount of the loan is kr 10 million, with the loan repayable in equal quarterly instalments from 1st October 2021 until maturity. The loan is secured with a first priority of kr 10 million over the operating assets of the parent company and a second priority of kr 10 million over accounts receivables behind the kr 50 million instruments securing the bank overdraft facility. The interest rate on this loan is floating.

This loan is subject to the same equity ratio covenant requirements as the bank overdraft facility, and as mentioned in note 8, the Rystad Energy Group did not meet this covenant requirement at 31 December 2019. The parent company obtained a waiver for this breach of covenant on 18 June 2020 according to which the measurement of the equity ratio covenant was transferred from the Rystad Energy Group to the parent company with effect from 1st January 2019, the effective date of implementing the accounting policy change, and the ratio for 2019 was reset to 20%, to be increased to 25% from 2020 onwards. In addition, a new covenant requirement was introduced requiring approval for any new external debt in the Rystad Energy Group. The parent company was in compliance with the conditions of this waiver at 31 December 2019.

	Currency	Interest rate 31.12.2019	Maturity date	Nominal amount
Loan provided for innovation & development purposes	NOK	5.20%	July 2027	10,000
Amount repayable in 2021				417
Amount repayable in 2022				1,667
Amount repayable in 2023				1,667
Amount repayable in 2024				1,667
Amount repayable from 2025-2027				4,583
				10,000



Rystad Energy AS
Notes to the financial statements



RYSTAD ENERGY

All figures in NOK'000s

Year ended 31 December

Note 12: Operating leases

The Group has entered into commercial leases for office premises, and to a minor extent, office equipment and housing for staff working abroad on expatriate terms.

The lease payments for the majority of the office premises lease contracts are adjusted according to the consumer price index, have an extension option and an lease period ranging from 3 months to 8 years. There are no restrictions placed upon the lessee under the lease contracts to use the office premises in the normal course of business. The operating lease costs for the office premises lease contracts were as follows:

	<u>Parent company</u> <u>2019</u>	<u>Group</u> <u>2019</u>
Office premises	<u>11,734</u>	<u>19,677</u>

Future minimum rentals payable under the non-cancellable operating lease at 31 December were as follows:

	<u>Parent company</u> <u>2019</u>	<u>Group</u> <u>2019</u>
Rentals payable with one year	11,592	20,051
Rentals payable from one to five years	45,432	62,740
Rentals payable after more than five years	<u>42,119</u>	<u>44,678</u>
	<u>99,143</u>	<u>127,469</u>

Note 13: Guarantees

As part of the parent company's bank engagement with Handelsbanken Norway branch, the bank has issued an office rental guarantee of kr 6.6 million from 15 June 2018 until 15 December 2028 in favour of the lessor of the Group's offices in Oslo, Norway. In addition, there was an unused guarantee facility at 31 December 2019 of a further kr 4.4 million.