CRI hf.

Consolidated Financial Statements
2023

CRI hf.
Holtasmára 1
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Reg.no. 530306-0540

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Endorsement and Statement by the Board of Directors and the CEO

Carbon Recycling International (CRI hf.) is a world leading technology provider for recycling carbon emissions to make value added products. CRI's Emissions-to-Liquids (ETL) technology converts waste carbon dioxide into sustainable methanol – a versatile fuel, chemical and feedstock for green products.

Founded in 2006 in Iceland, CRI has its origins in producing and selling the world's first certified E-methanol. Since then, the company has extended its reach by developing, scaling, and deploying CO2 to methanol plants worldwide. Today, CRI provides engineering services, proprietary equipment, and technology licenses, for its proven-at-scale ETL technology. With its current technology portfolio capacity to recycle over 300,000 tonnes of CO2 annually.

The Consolidated Financial Statements for the year ended 31 December 2023 comprise the financial statements of CRI hf. ("the Company") and its subsidiary CRI CN ehf. (together "the Group" or "CRI").

CRI reached many significant milestones in 2023. The highlights include closing of a 30 MUSD fundraising round, successful start-up of its second large scale project and the continued growth in market opportunities and recognition.

Fundraising Completed

One of CRI's largest milestones last year was reached in June. The company announced at the annual general meeting on June 19th 2023 the closing of a USD 30 million private equity fundraising round. Equinor Ventures lead a group of investors which became the Company's latest shareholders. Equinor Ventures is Equinor's corporate venture capital arm dedicated to investing in ambitious early-phase and growth companies. Equinor is an international energy company headquartered in Norway. Equinor Ventures' co-investors are Gildi, Sjóvá, and Lífeyrissjóður Vestmannaeyja.

The capital is being used to fund the growth plan according to the company's strategic priorities. The investment will fund team expansion, the company's infrastructure, R&D, and early-stage project development. The resources and expansion will allow the Company to work on more projects in parallel and expedite deployment of its products which are among other services: ETL technology packages, Project Development and the lifetime services of the CO2 to methanol plants. With this CRI aims to maintain its position as an internationally recognized leader in its field.

Projects, Sales Pipeline and Commercial Outlook

The inauguration ceremony for the world's first large-scale CO_2-to-Methanol plant took place on February 21st 2023 in Anyang, Henan province, China. The event featured speeches from both Chinese and Icelandic officials celebrating this milestone.

The Shunli methanol plant is a lighthouse project for energy diversification and carbon emission reduction by using recovered hydrogen and carbon dioxide to synthesize 110,000 tons of methanol every year. The production process is based on CRI's Emissions-to-Liquids technology. Over the past year, the plant has delivered methanol derived from waste gases to replace diesel fuel for trucks, significantly reducing greenhouse gas emissions and improving air quality. The methanol from the plant was also used to light the flame of the Asian Games last year.

In the second half of 2023, CRI successfully completed the start-up of the second commercial scale facility, the Sailboat project, which is the world's most efficient CO_2 to Methanol plant. These two commercial scale projects are a great example of successful collaboration between CRI and different industrial companies to bring innovative and clean technology to the market where it can have a real impact. They now serve as an excellent reference for new projects in other regions and industries. Several prospective clients have already visited the facilities. CRI is in a unique position in the market to be able to offer this to its prospective clients.

In December 2023 at COP28 in Dubai, CRI signed a contract with P1 FUELS, a German green tech company focusing on synthetic fossil-free fuels for the automotive industry, for delivery of an e-methanol production unit to be installed in Germany in the second half of 2024.

P1 Fuels will establish production of synthetic gasoline from methanol, derived solely from CO2 and Hydrogen (H2). P1's demonstrator plant leveraging this technology will serve as a blueprint for industrial sized plants. P1 Fuels is the exclusive fuel supplier to various racing championships including FIA World Rally Championship (WRC), FIA Karting Championship and many others.

Endorsement and Statement by the Board of Directors and the CEO, contd.:

Projects, Sales Pipeline and Commercial Outlook, contd.:

In the past few years CRI has engaged with partners in project development activities for a new commercial scale e-methanol production facility to be located next to a ferrosilicon plant in Finnfjord, northern Norway. The second internal decision gate in the Finnfjord project was passed in the fourth quarter of 2023, moving it to the next stage of engineering and project development activities. This includes the start of pre-FEED (front end engineering design) with EPC partner support and permitting activities started with support of local consultants. The project is being developed in close collaboration with Finnfjord AS and with support from the local municipality of Senja. The required grid capacity for future delivery of electricity has been reserved and discussions with strategic partners and methanol offtakers are ongoing. Planned production capacity is 100.000 tons of e-methanol annually.

The company's commercial pipeline continues to expand, both in numbers as well as the geographic split. CRI defines project opportunities as those that have moved beyond the initial lead phase, where an initial assessment has taken place and determined that the project warrants further engagement with the client or project partner. This often involves performing engineering feasibility and design studies, submitting commercial proposals, and project development activities. Those opportunities have tripled over the 12-month period, with the projects getting more mature as seen by the number of completed and ongoing paid engineering studies and proposals. In 2023 CRI completed 4 paid engineering studies for its clients as a critical step towards investment decisions and project contracts in most markets. In the first quarter of 2024 CRI has already closed contracts for 2 such studies.

Despite the rapid growth in projects under development globally, we have seen a number of projects being delayed – in particular those located in Europe. This is not restricted to e-methanol projects but a general issue affecting projects that aim to produce green hydrogen at scale. These projects tend to be reliant on grant funding, permitting, grid access and are subject to recent energy market volatility and inflation. For this reason, CRI has projects in different regions and is actively monitoring which projects have the greatest chance of succeeding. The growth in demand for sustainable methanol is currently driven primarily by the maritime sector, where new vessels orders with methanol capable engines grew 400% to 138 vessels recorded by DNV in 2023, surpassing all other alternative marine fuels such as LNG, ammonia and hydrogen. The maritime fuels and chemicals are global markets, and this is reflected in CRI's project pipeline geographic split. At the end of 2023 approximately half of CRI's identified project opportunities were located within Europe, with a further 25% being in Asia/Pacific, 20% in North- and South America and the rest of the world at 5%.

Grants and Awards

In June 2023, the Company was granted the “Vöxtur” grant by The Icelandic Centre for Research. The grant amounts to USD 350 thousand which will support further development of already established technology demonstration projects that have passed through the first gates of product development and have the potential to add value to the product offering. The project activities cover further development of the ready and scaled ETL Technology, with focus on optimization, further technical and commercial adaptation of the ETL technology to flexible power availability and the next generation of internal modelling and design tools.

CRI was awarded the "Environmental Initiative of the Year" by the Confederation of Icelandic Enterprises. This prestigious award was presented on November 29th by the president of Iceland Mr. Guðni Th. Jóhannesson on Business Environment Day, an annual event that celebrates environmental initiatives and sustainable practices in the Icelandic business community.
The award-winning initiative was the Sailboat project in China. These milestones underscore CRI's commitment to innovation, sustainability, and growth.

Appointment of a New CEO

At the end of 2023 CRI appointed Lotte Rosenberg as Chief Executive Officer, effective from 1st of February 2024. Lotte Rosenberg has extensive experience and a distinguished career within the energy industry, having held key positions such as Senior Vice President at Ørsted, Chief Commercial Officer at Nature Energy, and, most recently, Co-CEO at the start-up company WPU, specializing in the upcycling of plastic waste to oil. Aside from executive management experience, Lotte Rosenberg has had a focus on strategic growth, development of international partnerships and building organizations primarily in Europe and North America. At the same time Björk Kristjánsdóttir, interim CEO since June 2022, assumed a new position of Chief Operating Officer, taking on additional responsibilities alongside her role as Chief Financial Officer.

Endorsement and Statement by the Board of Directors and the CEO, contd.:

Volcanic Eruption in Iceland Near CRI's GO Plant

During the fourth quarter of 2023 and continuing into 2024 a series of seismic events followed by volcanic eruptions have taken place in an area on the Reykjanes peninsula, north of the town of Grindavík. The eruptions are in proximity to CRI's e-methanol facility in Svartsengi.

The area has been mostly evacuated since November 10th by the Department of Civil Protection and Emergency Management in Iceland. There are currently no production activities taking place at the CRI facilities in Svartsengi. Daily presence of CRI staff in the area is not required and the Company emphasizes and prioritizes Employee' safety. Measures were taken to remove chemicals from the site to ensure safety as much as possible.

We continue to monitor the developments and instructions from the Department of Civil Protection and local authorities. Our facilities in Svartsengi have been designed and constructed to withstand natural disasters like earthquakes, although damages to equipment and infrastructure can occur. Protective barriers have been constructed to protect the main infrastructure in Svartsengi and this has so far managed to divert the main flow of magma.

CRI's assets are insured as reported in the Company's Annual Financial Statement and CRI maintains a good contact with their insurance provider regarding insurance coverage, regular updates, and the status of the plant in case of any such damages. These eruptions do not impact CRI's business operations involving ETL technology licensing, engineering services, sales of proprietary equipment and global project development.

Financial Performance

The Condensed Consolidated Annual Financial Statements for the six-month period ended 31 December 2023 comprise the financial statements of CRI hf. ("the Company") and its subsidiary CRI CN ehf. (together "the Group" or "CRI"). The Condensed Consolidated Financial Statement is prepared in accordance with IFRS accounting standards.

According to the statement of comprehensive income, loss of the Group for the period amounted to USD 3,992 thousand and revenues amounted to USD 4,168 thousand. According to the statement of financial position, equity at the end of the period amounted to USD 46,330 thousand.

The bridge between adjusted EBITDA and EBITDA as shown in the Consolidated Statement of Comprehensive Income is as follows:

	2023	2022
Adjusted EBITDA	(766)	746
Share option expense	(738)	(610)
Irregular expense	(58)	(389)
EBITDA	(1.562)	(254)

The change in EBITDA for 2023 compared to 2022 can be attributed to the successful completion of CRI's second major commercial project, the Sailboat project, during the fiscal year. Consequently, a substantial portion of the associated revenues had been recognized in preceding periods. However, CRI is currently poised with a robust and promising pipeline, actively pursuing the closure of additional large-scale commercial contracts.

Net cash used in operating activities for the twelve-month period ended 31 December 2023 amounted to USD 911 thousand (2022: USD 1,256 thousand provided by operating activities). At 31 December 2023, net cash and cash equivalents amounted to USD 23,117 thousand (31 December 2022: USD 974 thousand).

Endorsement and Statement by the Board of Directors and the CEO, contd.:

Share buyback program

At the Group´s Annual General Meeting 17 March 2021 the shareholders approved The Board of Directors proposal to initiate a new share buyback program for up to 5.0% of the total issued share capital in the Company. The purpose of the buyback program is to reduce the Company's share capital and to meet the Company's obligations under share incentive programs with employees. The buyback program complies with the provisions of the Icelandic Act on Securities Transactions No. 108/2007, the appendix to the Icelandic Regulation on Insider Information and Market Manipulation No. 630/2005, Regulation No. 596/2014 of the European Parliament and of the Council on market abuse, and the Commission's delegated regulation 2016/1052.

Shareholders and Share Capital

The Company's share capital at period ended 31 December 2023 was ISK 7.6 million. At period end, shareholders in the Company are 10. The Company's shareholders are as follows:

	Ownership
J.P Morgan SE	26,70%
CLEARSTREAM BANKING S.A.	25,10%
Landsbankinn hf.	12,50%
Íslandsbanki hf.	10,90%
Euroclear Bank S.A/N.V.	10,50%
Equinor Ventures AS	8,30%
Citibank, N.A.	3,00%
Nordea Bank Abp	2,70%
Six Sis AG	0,20%
Saxo Bank A/S	0,10%

Reference is made to the financial statement regarding information on changes of equity.

Statement by the Board of Directors and the CEO

To the best of our knowledge the Condensed Consolidated Annual Financial Statements give a true and fair view of the financial performance of the Group for the twelve months period ended 31 December 2023, its assets, liabilities, and consolidated financial position as at 31 December 2023 and its cash flows for the period then ended.

The Board of Directors and the CEO have today discussed the condensed consolidated financial statements of CRI hf. for the period 1 January to 31 December 2023 and confirm them by means of their signatures.

Kópavogur, 9. April 2024

The Board of Directors:

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Sigurlína Ingvarsdóttir
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DocuSigned by:
Laurent Van Wulpen
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Xiang Fei
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Halldór Jón Kristjánsson
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DocuSigned by:
Sivert Vist
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CEO:

DocuSigned by:
Lotte Rosenberg
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[1] Due to the setup in the company's share registry in Euronext VPS Oslo nominee banks are listed as the company's shareholders

Independent Auditor's Report

To the Board of Directors and Shareholders of CRI hf.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of CRI hf. ("the Company"), which comprise the consolidated statement of financial position as at 31 December, 2023, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company as at 31 December, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International consolidated financial Reporting Standards (IFRSs) as adopted by the European Union and additional Icelandic disclosure requirement in accordance with Icelandic consolidated financial Statement Act no. 3/2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Iceland 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.

Responsibilities of the Board of Directors and CEO for the Consolidated Financial Statements

The Board of Directors and CEO are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union and additional Icelandic disclosure requirement in accordance with Icelandic Financial Statement Act no. 3/2006, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors and CEO are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Independent Auditor's Report, contd.:

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements, cont.:

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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
- 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 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 consolidated 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with The Board of Directors and audit committee 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

Pursuant to the legal requirement under Article 104, Paragraph 2 of the Icelandic Financial Statements Act No. 3/2006, we confirm that, to the best of our knowledge, the report of the Board of Directors and CEO accompanying the financial statements includes the information required by the Financial Statements Act if not disclosed elsewhere in the financial statements.

Reykjavík,

KPMG ehf.

DocuSigned by:
Hrafnhildur Helga Ólafsdóttir
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Consolidated Statement of Comprehensive Income for the year 2023

	Notes	2023	2022
Revenues		3.418	6.589
Other income		751	377
Total revenue		4.168	6.966
Cost of sale		1.665	4.687
General operating expenses		4.066	2.533
Total expenses		5.731	7.219
EBITDA		(1.562)	(254)
Depreciation and amortization	5	(2.880)	(2.824)
Results from operating activities		(4.443)	(3.078)
Interest income		719	0
Interest expenses		(260)	(924)
Net foreign exchange loss		(8)	(17)
		451	(941)
Loss before income tax		(3.992)	(4.019)
Loss for the year		(3.992)	(4.019)
Other comprehensive income		0	0
Loss and comprehensive loss for the year		(3.992)	(4.019)

Earnings per share

	Notes	2023	2022
Basic and diluted earnings per share	16	(0,57)	(0,70)

CRI hf. Consolidated Financial Statements 2023 9 In USD thousands

Consolidated Statement of Financial Position as at 31 December 2023

	Notes	2023	2022
Assets			
Intangible assets	6	7.478	9.209
Operating assets	7	15.433	16.175
Right of use assets	8	62	187
Shares in other companies	9	657	657
Total non-current assets		23.630	26.226
Inventories		9	12
Work in progress	10	34	41
Contract assets	11	245	224
Trade receivables		138	1.182
Other receivables		200	63
Cash and cash equivalents		23.117	974
Total current assets		23.743	2.496
Total assets		47.373	28.722
Equity			
Share capital		58	49
Share premium		36.285	11.636
Reserve		7.506	7.366
Share option		2.481	1.743
Total Equity	12	46.330	20.794
Liabilities			
Lease liabilities	8	24	86
Total non-current liabilities		24	86
Trade payables		193	104
Other payables		647	761
Loans and borrowings		0	5.331
Lease liabilities	8	43	113
Contract liability	11	138	1.533
Total current liabilities		1.021	7.842
Total liabilities		1.045	7.928
Total equity and liabilities		47.373	28.722

CRI hf. Consolidated Financial Statements 2023 10 In USD thousands

Consolidated Statement of Changes in Equity for the year 2023

	Notes	Share capital	Share options	Share premium	Reserves*	Retained earnings	Total equity
2022							
Equity 1 January 2022		48	1.133	13.348	6.435	0	20.964
Correction 1.1				(2.960)	2.960		0
Paid in share capital		1		3.235			3.236
Total comprehensive loss						(4.019)	(4.019)
Changes in reserve					(2.029)	2.029	0
Share options			610				610
Transferred				(1.990)		1.990	0
Equity 31 December 2022	12	49	1.743	11.636	7.366	0	20.794
2023							
Equity 1 January 2023		49	1.743	11.636	7.366	0	20.794
Paid in share capital		9		29.991		(1.210)	28.790
Total comprehensive loss						(3.992)	(3.992)
Changes in reserve					140	(140)	0
Share options			738				738
Transferred				(5.342)		5.343	1
Equity 31 December 2023	12	58	2.481	36.285	7.506	0	46.330

*Further breakdwon in note 12

CRI hf. Consolidated Financial Statements 2023 11 In USD thousands

Consolidated Statement of Cash Flows for the year 2023

	Notes	2023	2022
Cash flows from operating activities:			
Loss for the year		(3.992)	(4.019)
Operating activities not affecting cash:			
Depreciation and amortization	5	2.880	2.824
Net finance expense		(451)	941
Share options expense		738	610
Working capital (to) provided by operating activities		(825)	356
Inventories and work in progress, decrease		11	340
Receivables, decrease		886	1.123
Current liabilities, (decrease), increase		(1.420)	361
Change of operational assets and liablities		(1.348)	2.180
Interest expenses paid		437	(924)
Net cash (used in) provided by operating activities		(911)	1.256
Investing activities:			
Investment in intangible assets	6	(244)	(605)
Investment in operating assets		(28)	0
Investment in other companies	9	0	(657)
Investing activities		(272)	(1.262)
Financing activities:			
Paid in share capital		28.790	3.236
Repayments of short term loans		(5.331)	(3.198)
Payment of lease liabilities		(132)	(186)
Financing activities		23.327	(148)
Increase (decrease) in cash and cash equivalents		22.143	(154)
Cash and cash equivalents at the beginning of the year		974	1.128
Cash and cash equivalents at 31 December 2023		23.117	974

CRI hf. Consolidated Financial Statements 2023 12 In USD thousands

Notes to the Consolidated Financial Statements

1. Reporting entity

CRI hf. (the "Company") is a limited liability Company incorporated and domiciled in Iceland. The address of the Company's registered office is Holtasmári 1, Kópavogur, Iceland. The consolidated financial statements of the Company for the year 2023 comprise the Company and its subsidiaries, together referred to as the "Group" and individually as "Group entities". The main activity of the Group is developing and selling our ETL process technology for producing methanol from carbon dioxide emissions.

2. Basis of preparation

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and additional Icelandic disclosure requirements for consolidated financial statements.

The financial statements were approved by the Board of Directors of CRI hf. on 9. apríl 2024

b. Basis of measurement

The consolidated financial statements are prepared on the historical cost basis.

c. Functional and presentation currency

These consolidated financial statements are presented in USD, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

d. Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The determination of fair value is based on preconditions, which are dependent on the judgment of management on future events. Actual results can be different from these estimates.

e. Measurement of fair value

A number of the Group's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. Where applicable, further information about the assumptions made in determining the fair value of assets or liabilities are in the notes to the relevant assets and liabilities.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(i) Transactions eliminated on consolidation

Intra-Group balances and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. Operating segments

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's does not present business nor geographical segments as revenue consist of selling ETL process technology in Asia. The Group's intangible assets and fixed assets are primary used to further develop and sell the ETL process technology.

c. Foreign currency transactions

Transactions in foreign currencies are translated to USD at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated to USD at the period-end foreign exchange rate. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income. Foreign currency differences are recognised in profit or loss.

d. Financial instrument

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date they are originated. All other financial assets, including assets designated at fair value through profit or loss, are recognised initially on the trade date, which is the date that the Group becomes party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfer the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments and are not listed in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less any impairment losses.

Loans and receivables comprise of cash and cash equivalents, trade and other receivables.

Cash and cash equivalents comprise of cash balances at bank and marketable securities with original maturities of three months or less.

(ii) *Non-derivative financial liabilities*

The Group initially recognises debt securities issued on the date that they are originated. All other financial liabilities including liabilities designated at fair value through profit or loss are recognised initially on the trade date, which is the date the Group becomes party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharge, cancelled or expire.

The Group non-derivative financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities comprise loans and borrowings and trade and other payable.

(iii) *Share capital*

Incremental costs directly attributable to issue of shares and share options are recognised as a deduction from equity.

e. Intangible assets

(i) *Recognition and measurement*

Intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are only capitalised if it is probable that future economic benefits associated with the asset will be generated and the cost can be measured reliably.

(ii) *Subsequent expenditure*

Subsequent expenditure are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iii) Amortisation

Intangible assets are costs incurred in developing a CO2 to methanol production technology. The estimated useful live for current and comparative years is 10 years.

f. Operating assets

(i) *Buildings and other operating assets*

Buildings and other operating assets are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of buildings and other operating assets comprises its purchase price and any directly attributable cost of bringing the asset to working condition for its intended use.

The estimated useful life, residual value and depreciation method is reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(ii) *Subsequent costs*

The cost of replacing part of an item of operating asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other costs are recognised in the statement of comprehensive income as an expense as incurred.

(iii) *Depreciation*

Depreciation is recognised in the profit and loss on a straight-line basis over the estimated useful live of each part of operating assets. The estimated useful lives are as follows:

Buildings	50 years
Other operating assets	5-14 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

g. Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Inventory's cost price is based on first in - first out the rule and includes the cost of procuring the inventory and coming them to the place and condition they are in on the settlement date. Net realizable value is the estimated selling price in ordinary business less estimated costs of selling goods.

h. Impairment

(i) *Non-derivative financial assets*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. All impairment losses are recognised in profit and loss.

(ii) *Non-financial assets*

The carrying amounts of the Group's non financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other CGUs.

The recoverable amount of an asset of CGU is the greater of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU.

An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Employee benefits

(i) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit and loss when they are incurred.

(ii) ***Share-based compensation***

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (stock options) of the Group. The fair value of the employee services received in exchange for the grant of the stock options is recognized as an expense. The total amount expensed is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

j. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal og constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

k. Revenue recognition

Sale of ETL Process technology and products

Revenue recognition is based on the considerations specified in contracts with customer using the five-step process as described in IFRS 15. In 2023 majority of the Group's revenue is derived from two commercial contracts with the company's customers Shunli and Sailboat in China. The scope of the client projects is defined in three separate, but integrated contracts and are therefore considered as a single contract which consists of license, design, and equipment sales for a new CO2-to-methanol plant.

Revenue is recognized over time as the product is deemed to have no alternative use and the Group has enforceable right to payment. Revenues are recognized under three principal methods: (a) The cost-to-cost (percentage-of-completion) method, based on the percentage of costs incurred to date compared to total estimated costs as based on the Group assessment. (b) The Group adjusts the measure of progress to exclude the effects of inputs that do not depict its performance in transferring control of goods or services to the customer. The Group recognises revenue to the costs incurred from the sold equipment only to the extent of the cost incurred, i.e. at a zero percent profit margin. (c) The Group recognizes the license fees linearly over the duration of the project. There are no variable considerations and the Group does not carry financial risks as a result of equipment fabrication and delivery. The equipment is manufactured by a third party with back-to-back contracts.

Unrecognised revenue of the contracts amounts to USD 305 thousand and is expected to be recognised through profit or loss within one year.

Sale of other goods and services are recognised at point in time when control passes to the customer. Invoices are issued at that point of time.

l. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

m. Interest income and expense

Interest income and expense, are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to the carrying amount of the financial instrument.

n. Leases

(i) As a lessee

At commencement of a lease contract a lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is posted among fixed assets in the Financial Statements and are subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the assets are determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

n. As a lessee contd.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit (loss) attributable to Shareholders by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Company and held as treasury shares. The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

p. Standard issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Group has not early applied the new or amended standards in preparing these consolidated financial statements.

New standards and amendment to standards are not expected to have a material effect on the Group's Consolidated Financial Statements.

4. Salaries and related expenses

Salaries and related expenses are specified as follows:

	2023	2022
Salaries	2.987	2.640
Pension contribution	392	340
Other salary related cost	309	463
Stock option expense	736	610
Capitalised salaries	(1.462)	(1.237)
Salaries and related expenses total	2.962	2.816
Average number of full time equivalent employees	28	26

5. Depreciation

Depreciation according to income statement is specified as follows:

	2023	2022
Amortisation of intangible assets	1.974	1.932
Depreciation of operating assets	770	768
Depreciation of right to use assets	137	124
Total depreciation and amortisation	2.880	2.824

6. Intangible assets

The Group's intangible assets are specified as follows:

	Intangible assets
Balance at 1 January 2022	18.623
Additions	582
Balance at 31 December 2022	19.205
Additions	244
Balance at 31 December 2023	19.449
Amortisation and impairment	
Balance at 1 January 2022	8.065
Amortisation and impairment losses	1.932
Balance at 31 December 2022	9.997
Amortisation and impairment losses	1.974
Balance at 31 December 2023	11.971
Carrying amounts	
Balance at 1 January 2022	10.558
Balance at 31 December 2022	9.208
Balance at 31 December 2023	7.478
Amortisation rate	10%

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7. Operating assets

Operating assets are specified as follows:

	Property	Equipment	Total
Cost			
Balance at 1 January 2022	17.284	4.522	21.806
Balance at 31 December 2022	17.284	4.522	21.806
Additions	0	28	28
Balance at 31 December 2023	17.284	4.550	21.834
Depreciation			
Balance at 1 January 2022	3.171	1.692	4.863
Depreciated during the year	763	6	769
Balance at 31 December 2022	3.934	1.698	5.632
Depreciated during the year	763	7	770
Balance at 31 December 2023	4.697	1.705	6.402
Carrying amounts			
Balance at 1 January 2022	14.113	2.830	16.943
Balance at 31 December 2022	13.350	2.824	16.174
Balance at 31 December 2023	12.587	2.845	15.433

	Property	Equipment
Depreciation rate	2-5%	7-20%

Insurance value

The official real estate value of the plant was USD 669 thousand at 31 December 2023 (2022: 620). Insurance value of operating assets amounted to USD 10.2 million at 31 December 2023 (2022: 9.1 million). At the same time book value of those assets amounted to USD 15.5 million.

8. Leases

The balance sheet shows the following amounts relating to leases:

	2023	2022
(i) Right-of use assets		
Balance at the beginning of the year	187	288
Additions during the year	11	23
Depreciation during the year	(136)	(124)
Balance at the end of the year	62	187
(ii) Lease liabilities		
Non-current	24	86
Current	43	113
Total lease liabilities	67	199

	2023	2022
(iii) Recognised in profit or loss		
Depreciation expense	136	124
Interest expense	7	13
Total amount recognised in profit or loss	143	137

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9. Shares in other companies

The Group holds 34% shares in MFE JV in China.

10. Work in progress

Work in progress are costs incurred due to the development of turn-key ETL solutions. Large parts of these costs will be reimbursed by government grants and the remaining part will be transferred to intangible assets.

11. Contract balances

The contract asset USD 245 (2022: USD 224) relates to the CRI's right to consideration for work completed but not billed at the reporting date on made-to-order products. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when CRI issues an invoice to customer.

The Contract liability USD 138 relates to invoiced amounts according to contracts for which revenue is recognized over time. The amount of USD 1,553 incluced in contract liability at 31 December 2022 has been recognized as revenue in 2023.

No information is provided about remaining performance obligations at 31 December 2023 or at 31 December 2022 that have an original expected duration of one yar or less, as allowed by IFRS 15.

12. Equity

(i) Share capital

The Company's share capital, according to its Article of Association amounts to ISK 7,551 thousand. One vote is attached to each ISK one share in the Company.

Furthermore, the Board of Directors have authorisation to issue up to 1,000,000 new shares in the Company. The authorisation is effective until 26 March 2026.

(ii) Share premium

Share premium represents excess of payment above nominal value that shareholders have paid for shares sold by the Company. The balance of the share premium account can be used to offset losses not covered by other reserves.

(iii) Reserves

Equity reserves comprise of the amount of capitalized development cost from 2016 and reserve for profit share of the subsidiary. The reserve for capitalized development cost is dissolved as this capitalized development cost is amortized or if the asset is sold.

In accordance with International Financial Reporting Standards (IFRS), an amount corresponding to capitalized development cost is transferred from retained earnings to a restricted account within equity. The restricted account is dissolved to equal the amortisation of the development cost in the statement of comprehensive income.

Reserves are as follows:	Reserve due to subsidiary	Restricted equity due to developm cost	Total reserves
Balance at 1.1.2022	679	5.755	6.434
Correction from previous years		2.960	2.960
Development cost	(679)	(1.350)	(2.029)
Balance 31.12.2022	0	7.366	7.366
Changes during the year	575		575
Development cost		(435)	(435)
Balance 31.12.2023	575	6.931	7.506

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12. Equity contd.:

(iv) Share options contd.:

The Board of Directors have an authorization to issue up to 800,000 share options. At year-end 2023 a total of 459,982 are outstanding in total. The average exercise price is USD 16.1 per share. Thereof, 330,654 are fully vested. The remaining options will vest of the next three years. A total of 290,098 share options were available and unallocated at the end of December.

The share option agreements are subject to the condition that the share option holder is and will continue to work for the company. Their fair value is assessed using the Black-Scholes method. Their valuation is calculated with average 52% volatility and risk-free interest rates were on average 6.34% - 6.44% on an annual basis.
It is assumed that all shares will be exercised at the last period. As the company is not public and the shares are illiquid, a liquidity discount rate of 20% has been taken into account in the calculations.

In 2023 share options were granted to new employees according to CRI's general share option plan. Other share option plans which were put in place in 2021 continued to vest in 2023. Under these programmes, holders of vested options are entitled to purchase shares at USD 18.5 per share. The key terms and conditions related to the grants under these programmes are as follows; all options are to be settled by the physical delivery of shares. At year-end the General share option plan was discontinued by a resolution by the company's Board of Directors.

CEO

Issued share options to the CEO amounted to 31,914. Thereof, 23,276 share options are vested. The remaining share options will vest over one to two years.

Five other executive team members

Issued share options to the five other executive team members amounted to 201,721. Thereof, 163,169 share options are fully vested. The remaining share options will vest over one to two years.

Other employees

Issued share options to other employees amounted to 197,847 shares. Thereof, 115,709 share options are fully vested. The remaining share options will vest over one to three years.

Share options granted in December 2023 will be recognised through profit or loss as follows:

	2024	2025	2026
1 quarter	21.716	9.962	3.997
2 quarter	21.716	9.962	3.997
3 quarter	21.716	9.962	3.997
4 quarter	21.716	9.962	3.997
Total	86.864	39.848	15.988

(v) Capital management

The Board policy is to withhold strong capital foundation to support future projects.

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13. Loans and borrowings

Loans and borrowings are specified as follows:

	31.12.2023	31.12.2022
Non-current loans and borrowings		
No loans on 31.12. 2023 (Weighted average interest rate 31.12.22: 14,6%)	0	2.256
Non-current loans and borrowings, incl. current portion	0	2.256
Current portion of long-term borrowings	0	(2.256)
Total non-current loans and borrowings	0	0
In 1 - 2 years	0	0
Total	0	2.256
Current loans and borrowings		
Current portion of long-term borrowings	0	2.256
Short-term borrowings	0	3.075
Total current loans and borrowings	0	5.331

14. Unrecognized tax asset

Carry forward tax losses at the end of the fiscal year amounted to USD 49.3 million. Due to uncertainty regarding the utilisation of tax asset arising from carry forward tax losses is not recognised. Carry forward losses expires if it is not used to offset taxable income within ten years. Carry forward tax losses can be used as follows:

	31.12.2023	31.12.2022
Loss for 2014, available until the year 2024	1.708	1.708
Loss for 2015, available until the year 2025	1.637	1.637
Loss for 2016, available until the year 2026	2.507	2.507
Loss for 2017, available until the year 2027	2.766	2.770
Loss for 2018, available until the year 2028	8.493	7.795
Loss for 2019, available until the year 2029	8.493	8.507
Loss for 2020, available until the year 2030	6.424	6.424
Loss for 2021, available until the year 2031	8.238	4.657
Loss for 2022, available until the year 2032	4.192	5.430
Loss for 2023, available until the year 2033	3.164	0
	49.336	43.149

15. Financial risk management

(i) Overview

The Group’s investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Group is exposed from its use of financial instruments are:

*credit risk
*liquidity risk
*market risk
*operational risk

This note presents information about the Group's exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk, and the Group’s management of capital.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company’s risk management. The Board has commended the Managing Directors day to day developing and monitoring of the Company’s risk management policies.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

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15. Financial risk management contd.:

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group. The credit risk is related to accounts receivables, other receivables and cash and cash equivalents. The book value of these assets is equal to the maximum loss related

Exposure to credit risk is influenced mainly by the age of trade receivables, financial standing and individual characteristics of its customer.

Exposure to credit risk is influenced mainly by the age of trade receivables, financial standing and individual characteristics of its customer.

(i) Overview contd.:

The Group has established rules on credit transactions, which seek to minimize risk in terms of the financial position, credit rating and operations of individual customers as well as the position of the industries of the largest customers.

Exposure to credit risk

The carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	31.12.2023	31.12.2022
Trade receivables	138	1.182
Other receivables	200	63
Cash and cash equivalents	23.117	974
	23.455	2.219

(ii) Impairment on receivables

No impairment charge has been taken on receivables as they are current and no indication of impairment.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

The breakdown by contractual maturity, including expected interest payments, are as follows:

31.12.2023	Carrying amount	Contractual cash flow	Within one year	1-5 years years	Over 5 years
Trade payables	193	193	193	0	0
Other payables	138	138	138	0	0
Lease liabilities	67	0	43	24	0
	398	331	374	24	0

31.12.2022	Carrying amount	Contractual cash flow	Within one year	1.5.2023 years	Over 5 years
Trade payables	104	104	104	0	0
Other payables	761	761	761	0	0
Lease liabilities	199	199	113	86	0
Loans and borrowings	5.331	5.331	5.331	0	0
	6.396	6.396	6.310	86	0

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15. Financial risk management contd.:

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's market risk consist of price risk, currency risk and interest rate risk.

Currency risk

The Group is exposed to currency risk due to purchases and borrowings in currencies other than the USD. The currencies that mainly create exchange rate risk are the EUR and the ISK.

31.12.2023	EUR	ISK	Other currencies
Cash and cash equivalents	17	390	0
Trade and other payables	(108)	(313)	(19)
Net currency exposure	(91)	77	(19)

31.12.2022	EUR	ISK	Other currencies
Cash and cash equivalents	126	464	0
Trade and other payables	(18)	(910)	(24)
Net currency exposure	108	(446)	(24)

The exchange rates of the major currencies during the year were as follows:

	Average exchange rate		Period-end exchange rate	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
ISK	137,98	135,46	136,2	142,04
EUR	149,14	142,33	150,5	151,5

Sensitivity analysis

A 10% strengthening of the USD against the following currencies on 31 December 2023 would have increased (decreased) the Group's profit before income tax by the following amounts. The analysis is based on all other variables remaining unchanged. The analysis was conducted in the same way as in 2022.

	31.12.2023	31.12.2022
ISK	(8)	45
EUR	9	(11)

Currency risk

The 10% weakening of the USD against the above-mentioned currencies would have had the same effect but in the opposite direction, provided that all other variables had remained unchanged.

Interest rate risk

The Group incurs no interest rate risk since at year end 2023 there is no interest-bearing debt at the Group.

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15. Financial risk management contd.:

(v) Operational risk

Operational risk is the risk of direct or indirect loss that may occur due to a number of factors in the Group's operations, its staff work, technology and organization, inadequate or defective internal processes, and external factors other than credit, market and liquidity risk, such as due to changes in laws and general attitudes towards corporate governance. Operational risk arises for everyone the company's operations.

It is the Group's policy to manage operational risk in an efficient manner in order to avoid financial losses and to protect its reputation, while ensuring that the rules of procedure do not limit the initiative and creativity of employees.

In order to reduce operational risk, appropriate job separation is established, trade and compliance with the law are monitored, regular risk assessments are carried out, employees are trained, work processes are planned and insurance is registered and purchased where appropriate.

16. Earnings per share

Profit attributable to ordinary shareholder's (basic and diluted)	2023	2022
Loss and total comprehensive loss for the year	(3.992)	(4.019)
Number of outstanding shares at 1.1. (thousand)	6.287	5.862
Effect of share capital increase	694	118
Weighted average number of shares	6.981	5.980
Effect of share options and warrants	0	79
Weighted average number of shares for diluted earnings per share	6.981	6.059

Earnings per

	2023	2022
Basic earnings per share	(0,6)	(0,7)
Diluted earnings per share	(0,6)	(0,7)

17. Related parties

Identity of related parties

The Company has a related party relationship with its shareholders with significant influence, companies owned by them, subsidiaries and with its directors and executive officers and their spouses and dependent children.

Transactions with management and key personnel

Salaries and benefits paid to directors and management are specified as follows:

2023	Salaries	Share options	Contribution to pension fund	Total salaries & benefits
Board of directors	126	0	16	142
Björk Kristjánsdóttir, CEO	413	55	55	523
Five other executive team members	973	269	96	1.338

2022	Salaries	Share options	Contribution to pension fund	Total salaries & benefits
Board of directors	81	0	10	91
Björk Kristjánsdóttir, CEO	178	82	22	282
Five other executive team members	510	414	87	1.011

18. Subsequent events

No subsequent events are reported.

19. Group entities

The following lists presents the subsidiaries that are part of the consolidated financial statements as per 31 December 2023, their country of incorporation and ownership interest.

	Country of incorporation	**Ownership interest**
CRI CN ehf.	Iceland	100%