

# Board of Directors' Report 2024

## Company background

Interwell Norway AS is a subsidiary of Interwell AS, and a part of the Interwell Group, and is based at Moseidsletta 34 in Stavanger. Interwell Norway AS has branches in Trondheim and Denmark. In addition the company have three subsidiaries established in Rio de Janeiro, Aberdeen and Dubai. Interwell Norway AS's business idea and strategy are to contribute to enhanced efficiency of critical onshore and offshore operations, from the construction phase of a well right through plugging and abandonment. The Company develops and offers sealing and well integrity solutions to help operators achieve the highest possible rate of recovery of hydrocarbons through specialised equipment and services for sale and rental to the global exploration and production (E&P) industry. With a product range consisting of industry-leading niche products within the E&P value chain, the Company's products contribute to considerable and increased value creation for the customers. Interwell's technology continues to deliver alternatives that reduce operational complexity and risk, emissions to the atmosphere and general environmental footprint. Interwell is based on a circular business model where most of the equipment will be reused unless it is permanently installed.

## Financial overview

The total revenue in 2024 for Interwell Norway AS was NOK 2 071.6 million, compared to a similar NOK 1 284.5million last year. Around 62.5% of the revenue in 2024 was intercompany related in Interwell Group. Operating profit was NOK 559.7 million, compared to NOK 363.7 last year.

The increase in revenue in 2024 was mainly due to the merger with Iconic AS and Petroleum Technology Company AS. The financial results reflect a combination of higher activity in a demanding competitive landscape and weakened operational efficiency compared to the previous year with a decline in operation result compared to last year. Cost of materials used in operational activities has increased more relative to revenue, with declining margins as a result. This is also partially due to expansion of product catalogue from the merger. Some of the new products have a different margin structure compared to 2023 product mix. Interwell Norway's main revenue comes from offshore activities in Norway, Denmark and Caspian and revenue sourced trough other companies in Interwell Group.

The equity ratio at the end of the year was 39.2 % compared to 80.6 % in 2023. The equity ratio includes the right to use liability on assets according to the accounting standard for lease agreements (IFRS 16). The net lease liability was NOK 603.6 million in 2024 compared to NOK 33.4 million in 2023. The increase in IFRS 16 in 2024 is mainly caused by future lease commitments related to the new Interwell facility in Stavanger.

The net profit after tax for 2024 ended at NOK 583.7 million, compared to NOK 328.2 million in 2023.

The net cash generation from operations in 2024 was NOK 511.7 million, compared to NOK 710.7 million in the previous year. The positive cashflow was primarily reinvested in the upgrade and broadening of tools inventory available for rent, securing an appropriate financial platform for further growth initiatives and allocation group contribution. Investments increased to NOK 448 million in 2024, up from NOK 324 million in 2023. Investments include investments in Research and Development.

Interwell Norway continues to spend considerable resources on internally funded research and development activities. It is a fundamental strategic decision for the company to remain focused on developing new value-adding technology and bring this to the market. The Company continuously monitors the market needs to be based upon input from the end-users and other relevant stakeholders.

The Board believes that the annual accounts give a fair representation of the Company's assets and liabilities, financial position, and results.

The Financial Statement has been prepared in accordance with the application of simplified international accounting standards per § 3-9 of the Norwegian Accounting Act.

## **Going concern**

The 2024 annual accounts have been prepared on a going concern bases, and the Board of Directors hereby confirm that the going concern assumption was present at the time of approval of the financial statement.

## **Operational overview**

The instability that has influenced most of the global economy in recent years continued into 2024 and is likely to also impact 2025. Whatever the outcome of the war in Ukraine, it will likely have a lasting impact on the geopolitical situation. The conflict has led to volatile energy prices and inflationary pressures while also altering the supply patterns for oil and gas. The fundamentals have not changed, and the use of traditional hydrocarbons remains essential to meet the expected energy demand of an expanding global economy. In parallel with this, there is a broad understanding and recognition that the global energy supply chains need to be decarbonised. This energy transition will require significant investments and technological development in a world where reducing carbon emissions remains high on the political and public agenda. Interwell Norway AS sees a market for our products and competence in all these scenarios, and it is our view that the Company will remain robust as we continue to serve global E&P companies in an effective, efficient, and increasingly sustainable way of extracting hydrocarbons. Interwell Norway AS is exploring ways to serve emerging energy sources by expanding its existing product portfolio and developing new products.

The Company delivered solid operational performance with a robust and resilient business model. It is heavily focused on operational excellence without compromising the health and safety of employees. The Company maintained or increased its market share in key markets and delivered revenue growth by expanding its product portfolio to new customers and geographies.

Interwell Norway AS has not been immune to global economic challenges like higher inflation rates and increased operational costs. Consequently, profit margins were slightly diluted in 2024 compared to 2023, although the business delivered revenue growth in several markets and market segments. Despite the challenging economic environment, Interwell performed well and achieved solid financial results. The success results from our ongoing commitment to providing high-quality products and services to our customers and our ability to adapt to changing market conditions and customer needs.

We have continued to invest in our business, expanding the product offering and maintaining a focused R&D program to ensure that we remain well-positioned for long-term growth. A high focus on innovation and customer satisfaction remains critical for our success. By listening to the customers and developing new products and services to meet their needs, we have set ourselves apart from competitors and maintained a market-leading position. As we look ahead, we remain confident in our ability to deliver continued strong financial performance and driving growth across our markets.

Sustainable energy supply and the associated energy transition continue to be a global megatrend that will force the entire E&P industry to focus on sustainability and efficiency improvements and proactively develop new technology. Interwell Norway AS is well-positioned to support such initiatives, including new operating models and the introduction of low-carbon business models. We will continue to develop and introduce new products and solutions to help and support the energy transition.

Interwell Norway AS increased the business volume on the Norwegian Continental Shelf (NCS). The company remains dedicated to serving the NCS which is dominated by a few operators with whom Interwell Norway AS has solid and long-lasting relationship and broad product portfolio. Interwell Norway AS also benefit from the Group who is covered with a solid contract portfolio where the majority are direct contracts with the operators. This enables Interwell Norway AS to develop products and solutions

in close cooperation with end-users, which helps protect the strong position in the NCS market going forward.

In the other markets, Interwell Norway benefits from the operation of sister companies in Interwell Group. The activity has demonstrated regional variances, but overall positive development in most regions.

Through organic growth initiatives, we have introduced new products and services that meet the continuously changing needs of our customers. Our investment in R&D has led to the development of several value-adding technologies and solutions with promising reception in the market. We have also leveraged our existing customer relationships to expand our reach and market share in key regions. The merger with Cannseal AS in 2022 and Petroleum Technology Company AS and Iconic AS in 2024 have allowed us to diversify our product portfolio and gain access to new markets and business opportunities. They have brought new capabilities and technologies that complement our existing product offerings.

As we look ahead, we remain committed to investing in our business and pursuing growth opportunities in existing and new markets. We will also continue to evaluate strategic acquisitions that complement our existing offerings and maintain our focus on delivering high-quality products and services to our customers.

## **Market Outlook**

The global oil and gas market will likely remain strong in the coming year, where global conflicts and geopolitical unrest dominate in the short term. Economic uncertainty remains a significant factor influencing the international energy sector, where inflation has been more persistent than anticipated.

The global energy demand is expected to increase, and we see a trend where an unpredictable geopolitical situation tends to favour secure oil and gas production over more unpredictable renewables initiatives in the short to medium term.

Interwell Norway AS is primarily exposed to the oil & gas operating companies' operational expenditure budgets, which historically have remained more stable through cyclical volatility than other segments in the E&P value chain. Interwell Norway AS, with its strong product portfolio, continues to provide attractive business propositions for the E&P operators. New products are expected to be commercialised in 2025 and contribute to increased product and revenue diversification. The Board assesses that Interwell Norway AS will remain well-positioned to serve its customers through its operations across all regions through 2025.

However, although the oil and gas market continue to see increased demand, there are considerable parallel efforts and decarbonization initiatives in all areas where we operate. The industry must adhere to changing regulatory requirements and environmental factors, and governments must remain focused on and committed to reducing carbon emissions. Consequently, this will drive demand for alternative energy sources and pressure traditional oil and gas companies to adapt their business models. Interwell is well-positioned to navigate between these challenges and capitalise on opportunities in a global oil and gas market with an ageing well count. In parallel, the Company is transition-ready and committed to investing in developing new technologies related to carbon storage and geothermal solutions.

## **Organisation and Health, Safety and Work Environment**

Interwell Norway AS is committed to a working culture that promotes a zero-tolerance attitude towards unsafe acts and conditions. The Company also has zero tolerance for unethical behaviour and actions. At the end of 2024, Interwell Norway AS employed 410 people, an increase of 118 people.

The Board believes that the work environment and relations within the Company are sound, with an overall sick leave of 4.5 % for the Company and an acceptable level of attrition.

High safety standards are a priority across all operations and geographies. Performance is monitored closely, and all incidents are investigated to capture learning and implement corrective actions. The Board of Directors reports, reviews, and follows up on LTIs. In 2024, the company had only 3 minor incidents. All employees involved returned to work within a couple of days.

Interwell recognises the importance of the workplace and its significant role in the lives of most people. In 2024, Interwell conducted a Group Work Environment survey, and the results show a high satisfaction score supported by a low employee turnover. Findings and regional action plans from these surveys have been shared with the employees in town hall meetings.

Among Interwell Norway's 410 employees, 81 were women. The proportion of women in Interwell Norway was 19,8 %. Company policy is that work of equal value will give equal pay. Particular attention is paid to equality between women and men. When recruiting, both internally and externally, personal qualifications have the highest priority, irrespective of gender.

Interwell Norway AS strives to promote equal opportunity and non-discrimination within its business operations. The Company employs - and has historically employed - personnel from different nationalities. The Company's long-standing tradition working alongside colleagues of many nationalities, has fostered a sound international understanding and knowledge base. As a result, no discrimination cases were reported in 2024. Interwell Norway AS also aims to provide a workplace without discrimination on the grounds of disability. Please visit <https://interwell.com/imagine-a-future-well-secured/environment> for more information on the equality report and the transparency report in relation to the Norwegian Transparency Act.

Interwell has an insurance program for the board, senior management, and directors to protect individuals from lawsuits that originate from Interwell-related activity.

## **Sustainability**

Interwell Norway AS acknowledges our environmental and social responsibilities and is committed to balancing environmental protection with sustainable development. Interwell Norway AS has a sustainable business model where most of our equipment - unless permanently installed, will be reused. Our corporate social responsibility (CSR) programs cover all aspects of our business. Particular focus is given to sound product design, low environmental footprint production, support for local communities, effective waste management, low energy consumption, conscious procurement, comprehensive anti-bribery and corruption training, fair employment practices, and sustainable working conditions. CSR is taken into account in Interwell's strategic decision-making, including the selection of business partners and suppliers, and its connection to the Company's vision and values.

The Company has a dedicated sustainability program that is integrated into our operations and underpins relevant UN Sustainable Development Goals. Through stakeholder assessment, input, and benchmarking, the Company has identified its strategic Primary and Secondary Sustainable Development Goals, which are pursued through targeted programs. In our efforts, we will strive to exceed the statutory obligations. In addition, the Company will continuously update its sustainability goals to remain aligned with the development we observe around us.

The world's energy systems are undergoing gradual changes, with an increased focus on energy transition projects. The Company will continue to take a proactive approach and actively contribute to solutions for reduce carbon emissions.

The parent company Interwell AS is a global signatory member of the UN Global Compact, where the Company reports on sustainable practices and policies, demonstrating a proactive level of commitment.

## **Environment**

Licenses or decrees do not regulate the Company's operations; however, it strives to address environmental concerns to the best of its ability. The Company has a HSE management system in line with ISO 14001 Environmental Management System standard. Environmental impacts and aspects are evaluated throughout all processes, including Product Life Cycle Management. All Interwell tools are re-usable if and when retrieved.

Integrated Operations product offerings have been part of Interwell Norway AS Strategic Technology's direction over the last five years. Interwell Norway AS delivers standard products supported or remotely operated from Interwell's onshore control centre. This reduces customers' operational cost

and carbon footprint. We are further exploring options to expand our Integrated Operation product range. Interwell Norway AS works closely with all our customers and actively supports their efforts as they strive to achieve the UN Sustainable Development Goals.

### **Anti-Corruption and Bribery**

Interwell Norway AS is a part of the Interwell Group corporate governance structure, which is compliant with recognised governance principles, and in compliance with the different regulatory requirements which the business is operating under. Anti-corruption considerations are integrated into Interwell's business activities, and decisions are made using a risk-based approach with regular reporting to the Board of Directors. We have continued interacting with partners and suppliers throughout the year on ethics, anti-corruption, and anti-bribery with a key focus on high-risk countries.

### **Statement on the annual accounts and allocation of profit**

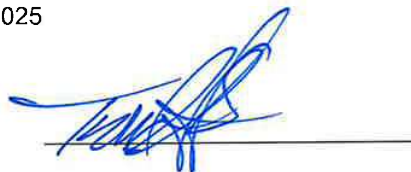
In the Board's opinion, the submitted profit and loss account and balance sheet including notes correctly represent the Company's 2024 result and its financial position at year-end 2024. No events after the financial year's end impacted the assessment of the annual accounts. The company posted a net profit of NOK 583 679 204 in 2024 where the Board of Directors is proposing the following allocation:

Net Profit	NOK	583 679 204
Transferred from other equity	NOK	-356 904 392
Group Contribution	NOK	940 583 596

Stavanger, 30. May 2025



Thormod Langballe  
Chairman of the Board



Trond Arve Stamnes  
Director



Tor Olav Meberg  
CEO

# Interwell Norway AS

## Income Statement

	Note	2024	2023
<b>Operating Revenue</b>			
Revenue	1, 2	2 071 557 386	1 284 488 491
<b>Total Operating Revenue</b>		<b>2 071 557 386</b>	<b>1 284 488 491</b>
<b>Operating Expenses</b>			
Cost of materials consumed	2	563 356 922	261 308 934
Payroll Expenses	3	471 243 431	324 303 183
Depreciation of Fixed Assets and Intangibles	4, 5	239 346 898	162 149 516
Write-down on Fixed Assets and Intangibles	5	15 381 263	35 828 270
Other Operating Expenses	2, 3, 6	222 559 219	137 196 013
<b>Total Operating Expenses</b>		<b>1 511 887 733</b>	<b>920 785 916</b>
<b>Operating Result</b>		<b>559 669 653</b>	<b>363 702 575</b>
<b>Financial Income and Expenses</b>			
Income from Investments in Subsidiaries	7	154 147 737	0
Other Interest Income		24 429 883	16 724 798
Net Agio		11 499 976	37 831 046
Other Financial Expense		20 374 833	0
Other Interest Expense	6	13 303 477	1 058 996
<b>Net Financial Result</b>		<b>156 399 286</b>	<b>53 496 847</b>
<b>Net Profit Before Tax</b>		<b>716 068 939</b>	<b>417 199 422</b>
Tax Expense	8	132 389 735	88 981 438
<b>Profit for the Year</b>		<b>583 679 204</b>	<b>328 217 984</b>
<b>Year End Dispositions</b>			
Transferred to/from Other Equity		-356 904 392	328 202 140
Group Contribution net tax		940 583 596	15 844
<b>Total allocations</b>		<b>583 679 204</b>	<b>328 217 984</b>

## Statement of Comprehensive Income

	2024	2023
<b>Profit for the year</b>	<b>583 679 204</b>	<b>328 217 984</b>
<b>Items that may be subsequently reclassified to profit or loss</b>		
Currency translation differences	0	0
	<b>0</b>	<b>0</b>
<b>Other Comprehensive Income net of tax</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the year</b>	<b>583 679 204</b>	<b>328 217 984</b>

# Interwell Norway AS

## Balance Sheet

31.12.2024

ASSETS	Note	2024	2023
<b>Fixed Assets</b>			
<b>Intangible Fixed Assets</b>			
Research and Development	4	104 650 862	68 063 520
Technology	4	98 091 493	65 499 809
Concessions, Patents, Licenses, Trade Marks and Similar Rights	4	33 630 463	18 989 569
Deferred Tax Asset	8	45 320 699	38 263 651
<b>Total intangible fixed assets</b>		<b>281 693 518</b>	<b>190 816 550</b>
<b>Tangible Fixed Assets</b>			
Right of use asset	5, 6	601 131 457	33 057 153
Rental Tools and Equipment	5, 9	424 753 147	306 128 863
Machinery and Equipment	5, 9	102 953 962	42 612 049
<b>Total tangible fixed assets</b>		<b>1 128 838 567</b>	<b>381 798 066</b>
<b>Financial Fixed Assets</b>			
Investments in Subsidiaries	7	16 876 746	0
<b>Total Financial Fixed Assets</b>		<b>16 876 746</b>	<b>0</b>
<b>TOTAL FIXED ASSETS</b>		<b>1 427 408 831</b>	<b>572 614 616</b>
<b>Current Assets</b>			
<b>Inventories</b>			
Inventory	9, 10	467 416 387	360 335 034
<b>Total inventory</b>		<b>467 416 387</b>	<b>360 335 034</b>
<b>Receivables</b>			
Trade Receivables and Accrued Revenue	9, 11, 12	717 568 344	361 620 922
Other Receivables	11	619 229 305	483 820 614
<b>Total short term receivables</b>		<b>1 336 797 649</b>	<b>845 441 536</b>
<b>Cash and Cash Equivalents</b>	14	<b>9 344 904</b>	<b>59 412</b>
<b>Total Current Assets</b>		<b>1 813 558 940</b>	<b>1 205 835 982</b>
<b>TOTAL ASSETS</b>		<b>3 240 967 771</b>	<b>1 778 450 598</b>

# Interwell Norway AS

## Balance Sheet

31.12.2024

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>Shareholder's Equity</b>			
Share Capital	15, 16	1 800 000	1 800 000
Share Premium	15	211 876 005	63 139 736
Additional paid-in capital	15	29 226 827	0
<b>Total contributed equity</b>		<b>242 902 832</b>	<b>64 939 736</b>
<b>Retained Earnings</b>			
Other Equity	15	1 027 774 837	1 367 788 325
<b>Total Retained Earnings</b>		<b>1 027 774 837</b>	<b>1 367 788 325</b>
<b>TOTAL EQUITY</b>		<b>1 270 677 669</b>	<b>1 432 728 061</b>
<b>Other non current liabilities</b>			
Non current lease liability	6	563 232 743	16 583 949
<b>Total non-current liabilities</b>		<b>563 232 743</b>	<b>16 583 949</b>
<b>Current Liabilities</b>			
Current lease liability	6	40 414 167	16 801 299
Current intercompany debt	11	1 048 041 061	20 313
Trade payables	11	159 298 145	179 610 031
Tax payable	8	16 287 797	46 880 386
Public duties payable		35 534 996	24 356 246
Other current liabilities		107 481 193	61 470 313
<b>Total current liabilities</b>		<b>1 407 057 359</b>	<b>329 138 588</b>
<b>TOTAL LIABILITIES</b>		<b>1 970 290 102</b>	<b>345 722 537</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3 240 967 771</b>	<b>1 778 450 598</b>

Board of Directors Interwell Norway AS  
Stavanger, 30. May 2025

  
Thormod Langballe  
Chairman

  
Trond Arve Stamnes  
Board Member

  
Tor Olav Meberg  
CEO

## CASHFLOW STATEMENT

	Note	2024	2023
<b>Cash flow from operation</b>			
Net profits before tax		716 068 939	417 199 422
<i>Adjusted for</i>			
Paid tax in period		-125 408 439	-38 986 298
Dividend from subsidiaries	7	-154 147 737	0
Depreciations and amortizations	4,5	239 346 898	162 149 516
Write down fixed assets	5	15 381 263	35 828 270
- Gain / loss disposal of fixed assets		58 903 586	38 428 956
<i>Change in working capital</i>			
Change in inventory		2 432 647	-160 750 151
Change in Accounts receivable		-174 824 432	161 761 284
Change in Accounts payable		-86 499 297	76 708 793
Change in other working capital items		19 636 762	18 423 420
Change due to merger with Cannseal		0	0
<b>Net cash flow from operation</b>		<b>510 890 190</b>	<b>710 763 212</b>
<b>Cash flow from investment activities</b>			
Net proceeds from sale of fixed assets		360 882	0
Net payments from purchase of fixed assets	4,5	-448 034 191	-324 029 375
Change current intercompany cashpool		-47 315 169	1 430 819
<b>Net Cash flow from investment activities</b>		<b>-494 988 478</b>	<b>-322 598 556</b>
<b>Cash flow from financing activities</b>			
Net payment long term debt		-4 246 134	0
Lease payments principal part		-30 779 419	-22 067 768
Net group contribution		-139 258 602	-366 084 762
<b>Net cash flow from financing activities</b>		<b>-174 284 155</b>	<b>-388 152 530</b>
<b>Net change in cash and cash equivalents</b>		<b>-158 382 443</b>	<b>12 126</b>
Cash due to merger		167 667 934	0
Balance of cash and cash equivalents at beginning of period		59 412	47 286
<b>Balance of cash and cash equivalents at end of period</b>		<b>9 344 904</b>	<b>59 412</b>

## Accounting principles

The annual accounts have been prepared in accordance with simplified application of International Financial Accounting Standards according to § 3-9 of the Norwegian Accounting Act.

Interwell Norway AS applied and got approval from Tax authorities to file the Financial Statements in English.

Functional and presentation currency is Norwegian kroner.

### Exemption in simplified IFRS

Company has elected to record proposed dividend and group contribution in the balance sheet at year end.

### Use of estimates

Preparation of the accounts in accordance with the Accounting Act requires the use of estimates. Further, application of the company's accounting principles requires that management exercise judgment. Areas that to a large extent include such discretionary judgments, a high degree of complexity, or areas where assumptions and estimates are significant to the annual accounts, are described in the notes.

### Revenue

The Company's operations are mainly concentrated around rental of assets and sale of goods. Revenues from rental operations are based on day rates and the company recognizes revenue over the contracted rental period, which coincides with the transfer of the performance obligation to the customer. Included in revenue is the net gain/loss from sale of rental assets that are considered a part of ordinary operations.

Revenue from sale of goods is recognised when the goods have been transferred to the buyer, and the performance obligation is completed. Allocations for expected guarantee work are recorded as cost and allocation for liabilities.

Revenue from retainers, availability fees or similar types of services are recorded at the completion of the delivery period.

### Classification of balance sheet items

Assets destined for permanent ownership or use are classified as fixed assets. Assets related to the goods circulation are classified as current assets. Receivables are classified at large as current assets if they are to be repaid within one year. For debts, analogue criteria are applied.

### Measurement of fair value

The Company measures certain assets and liabilities at fair value for the purposes of recognition or disclosure. Non-recurring fair value measurement is used for transactions, such as business combinations, contingent consideration and other non-routine transactions.

### Purchase cost

Purchase costs for assets includes the purchasing price, with deduction of bonuses, discounts and similar, and with the addition of purchase costs (freight, duties, public dues which are not refunded, and any other direct purchase costs). Purchases paid in foreign currencies are entered in the balance sheet at the exchange rate applying on the date of transaction.

### Intangible assets

Development expenses and patent costs are recognized in the balance sheet to the extent a future financial advantage can be identified relating to the development of an identifiable intangible asset, and the costs can be reliably measured. In the opposite case, such costs are charged to profits on a continuous basis. Development recognized in the balance sheet is depreciated linearly across the economic life.

### **Tangible fixed assets**

Fixed assets are recognized and depreciated linearly at residual value across the expected useful life of the asset. In the event of a change to the depreciation plan, the effects are distributed across the remaining depreciation period (breakpoint method). Maintenance of operating assets is charged to profit and loss on a continuous basis as operating costs. Upgrading and repair are added to the cost price of the operating asset, and depreciated concurrently with the operating asset. The separation between maintenance and repair is estimated with basis in the condition of the operating asset at the point of purchase.

### **Depreciation and impairment of fixed assets**

Fixed assets are recognized and depreciated linearly at residual value across the expected useful life of the asset.

If indicated that a fixed asset recognized in the balance sheet has a higher value than fair value, an impairment test is performed. The test is conducted for the lowest level of fixed assets which have independent cash flows. If the value recognized in the balance sheet is higher than both the sales value and recoverable values (present value at continued use/ownership), it is written down to the highest of sales value and recoverable amount.

Previous impairments, with the exception of impairment of goodwill, are reversed if the assumptions for impairment are no longer present.

### **Inventory**

Inventory are assessed at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials and direct labour. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### **Receivables**

Accounts receivable are recognized in the balance sheet after deduction of expected loss allocations. Allocations for losses are made on basis of an individual evaluation of the accounts receivable, and an additional allocation to cover other, anticipated losses.

Other receivables, including current receivables, are recognized at the lowest of nominal value and fair value. Fair value is the present value of expected, future payments. Allocation for losses is assessed in the same way as accounts receivable.

### **Foreign currency**

Transactions made in foreign currency are converted at the rate applicable on the date of transaction. Receivables and liabilities in foreign currency are valued with basis in the rate that applies at the end of the accounting year. Currency gains and losses related to sale and purchases of goods in foreign currency are recognized as other financial income and other financial expenses.

### **Pensions**

The group has a (secured) pension scheme for employees. The company's present scheme is contribution-based. All costs incurred are recorded through profit and loss statement. Any liabilities for incurred cost not paid are included in current accruals.

### **Taxes**

Tax in the income statement includes both payable tax for the period and changes to deferred tax. Deferred tax is calculated with basis of the temporary differences that exist between accounting values and tax values, plus any tax loss to be carried forward at the end of the accounting year. Tax-increasing or tax-reducing temporary differences that reverse or that may reverse during the period are offset. The entry of deferred tax advantage on net tax-reducing differences that are not offset, and loss carried forward, are justified by assumed future earnings. Deferred tax and tax advantage that may be recognized in the balance sheet are entered net within the same tax regime.

## Cash flow statement

The cash flow statement is prepared with basis in the indirect method. Cash and cash equivalents include cash and bank deposits.

## Leases

At the inception of the contract the Group assesses whether a contract is or contains a lease. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### Lease liabilities

The lease liability is initially measured at the net present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the individual lessee, which does not have recent third-party financing, and
- makes adjustments specific to the lease, for example term, country, currency and security.

Lease liabilities include the net present value of the following lease payments:

- fixed lease payments, less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); and
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

**Right-of-use assets**

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement of the lease and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37 "Provisions, contingent liabilities and contingent assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of the lease term or the economic useful life of the underlying asset. If a lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the date when the asset is ready for use.

**As a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The Company leases tools, on a day rate basis, to its customers. Rental income is recognised on.

**Accounting principles for shares in subsidiary and associated companies**

The cost method is applied as principle for investments in subsidiary and associated companies in the accounts. The cost increases when funds are added through a capital increase, or when a group contribution is given to a subsidiary. Received contributions are entered in the income statement as financial income if they represent retained earnings. Contributions exceeding the portion of retained earnings after the purchase are entered as reduction of purchase cost. Dividend/group contribution from subsidiaries is entered the same year as the subsidiary allocated the amount. Dividend from other companies is entered as financial income when the dividend has been legally approved.

**Note 1 Operating Revenue**

<b>Geographical Distribution</b>	<b>2024</b>	<b>2023</b>
Norway	701 853 655	563 094 872
Europe*	380 874 931	261 127 395
Caspian	93 581 644	69 808 853
Middle East	508 122 305	193 094 014
Americas	206 471 123	95 136 519
Asia/Pacific	180 653 728	102 226 838
<b>Total</b>	<b>2 071 557 386</b>	<b>1 284 488 491</b>

\* Revenue in Africa is included in UK which sorts under Europe.

Interwell Norway's revenue in Norway, Caspian and Europe is primarily offshore activities. The remaining revenue is rental and sale revenue to companies in the Interwell AS group.

**Note 2 Intercompany transactions**

<b>Transaction between group companies:</b>	<b>2024</b>	<b>2023</b>
<b>a) Revenue from sale and services rendered</b>		
- Interwell AS	1 024 846	1 189 591
- Interwell US LLC	91 989 799	84 251 205
- Interwell Canada Inc	7 041 614	1 380 366
- Interwell Limited (UK)	265 703 541	172 832 783
- PT Interwell Energi Services	6 643 837	0
- Interwell Middle East FZE	2 060 954	8 042 086
- Interwell KSA	198 297 967	165 909 654
- Interwell Oman SPC	69 932 953	51 723 004
- Interwell Australia	106 204 155	55 663 212
- Interwell P&A AS	7 561 992	2 722 207
- Interwell MENA Production LLC	6 497 651	-15 207 836
- Interwell MENA Trading LLC	60 697 752	-135 160
- Flowpro Well Technology AS	40 939 680	1 267 361
- Interwell Southeast Asia	2 370 374	669 260
- Interwell Malaysia	73 569 384	60 055 499
- Interwell Germany GmbH	5 291	0
- Interwell Brazil	15 299 323	0
- PTC ME	175 374 538	0
<b>Total Revenue from sale and services rendered</b>	<b>1 131 215 651</b>	<b>590 363 232</b>
<b>b) Purchase of goods and services</b>		
- Interwell Limited (UK)	17 341 589	7 175 561
- Interwell US LLC	8 966 713	5 945 256
- Interwell Canada Inc	3 219 966	619 934
- Interwell Middle East FZE	802 641	952 461
- Interwell Oman	4 562 645	3 914 183
- Interwell KSA	50 694 580	41 709 062
- Interwell P&A	5 929 455	207 182
- Interwell AS	58 905 016	53 901 521
- Interwell MENA Production LLC	3 279 446	176 765
- Interwell MENA Trading LLC	26 414 347	585 055
- Interwell Southeast Asia	1 208 040	217 144
- Interwell Malaysia	8 567 673	1 436 205
- Interwell Australia	4 047 328	3 027 434
- PT Interwell Energi Services	645 823	0
- Interwell Brazil	44 696	0
<b>Total Purchase of goods and services</b>	<b>194 629 958</b>	<b>119 867 763</b>

**Note 3 Wage Expenses, Number of Employees, Remunerations, Loans to Employees etc.**

<b>Wage Expenses</b>	<b>2024</b>	<b>2023</b>
Wages	348 678 240	250 748 666
Payroll Tax	75 100 884	52 817 400
Pension Expenses	31 482 279	17 475 322
Other Benefits	15 982 027	3 261 795
<b>Total</b>	<b>471 243 431</b>	<b>324 303 183</b>
Full time <b>employees</b> at year end were	410	292

**Mandatory Occupational Pensions**

Interwell Norway AS is covered by the Mandatory Occupational Pensions Act and has established pension schemes which meet the statutory requirements

<b>Management Remuneration</b>	<b>CEO</b>	<b>Board of Directors</b>
Wages including bonus	0	0
Pension Expenses	0	0
Fees	0	195 000
Other Benefits	0	0
<b>Total</b>	<b>0</b>	<b>195 000</b>

The company CEO is employed in the parent company Interwell AS and has no direct compensation from Interwell Norway AS.

**Main principles for the company's executive salary policy**

The principles and systems for remuneration of the company's executive management are determined by the CEO in Interwell AS. CEO in parent performs an annual evaluation of the CEO's salary and conditions, as well as the performance-based pay scheme for the executive management. Management salaries in Interwell Norway AS are determined by the following main principles:

Executive management's remuneration packages should be competitive, but not salary leading. The company should attract and retain talented management.

Executive management remuneration packages should be motivating – the salary should be such that it motivates extra effort for the continuous improvement of the business and the company's results

The salary system should be understandable and acceptable, both internally and externally.

The salary system should be flexible, where changes can be made when necessary.

The salary system should promote cooperation.

**Loans, Guarantees etc.**

There are no loans or guarantees for the benefit of shareholders, board members or related parties.

**Expensed Remuneration to Auditor**

<b>(All amounts excluding VAT)</b>	<b>2024</b>	<b>2023</b>
Statutory Audit	1 398 276	840 750
Tax Consultancy from PwC Germany and PwC Denmark	380 878	500 163
Tax Consultancy (incl. tech. assistance with tax papers)	45 000	36 100
Other Assistance	770 498	114 299
<b>Total remuneration</b>	<b>2 594 652</b>	<b>1 491 312</b>

**Note 4 Intangible Assets**

	Research and Development	Technology	Patents	Total
<b>Purchase cost pr. 01.01.</b>	<b>68 063 520</b>	<b>194 194 691</b>	<b>23 892 684</b>	<b>286 150 895</b>
Additions purchase cost 01.01 PTC merger	13 110 335	152 310 665	49 357 000	214 778 000
Additions purchase cost 01.01 Iconic merger	0	13 017 662	0	13 017 662
Additions	23 477 007	30 831 501	6 350 361	60 658 869
Disposals	0	0	0	0
<b>Purchase cost pr. 31.12.</b>	<b>104 650 862</b>	<b>390 354 519</b>	<b>79 600 045</b>	<b>574 605 426</b>
Accumulated depreciation 01.01	0	128 694 882	4 903 115	133 597 997
Additions accumulated depreciation 01.01 PTC merger	0	129 802 000	35 062 000	164 864 000
Additions accumulated depreciation 01.01 Iconic merger	0	5 592 936	0	5 592 936
Impairment	0	0	0	0
Accumulated depreciation 31.12	0	292 263 027	45 969 582	338 232 609
<b>Net book value pr. 31.12.</b>	<b>104 650 862</b>	<b>98 091 493</b>	<b>33 630 463</b>	<b>236 372 818</b>
Depreciation in the year	0	28 173 209	6 004 466	34 177 675
Impairment	0	0	0	0
Estimated useful life		3- 10 years	3- 10 years	
Depreciation plan		Linear	Linear	

The Company has capitalized expenses for research and development where the criterias for recognition are met. Research and development is related to research on technology within existing types of products where management believes there is a likely potential to succeed in developing a commercial product.

Classification of Research and Development changed in 2024 to include only work in progress research. Incoming balance has been adjusted accordingly. Net amount reclassified from "Research and Development" to "Technology" is NOK 95 433 200

**Note 5 Fixed assets**

	Right of use asset	Rental Tool and Equipment	Machinery and equipment	Total fixed assets
Purchase cost 01.01.	118 040 434	1 015 296 978	97 006 311	1 230 343 723
Additions purchase cost 01.01 PTC merger		17 115 574	50 563 001	67 678 575
Additions purchase cost 01.01 Iconic merger			18 679 097	18 679 097
Additions	601 597 806	338 351 420	49 023 902	988 973 128
Disposals	-11 781 490	-153 498 077	-3 688 263	-168 967 830
<b>Purchase cost 31.12.</b>	<b>707 856 750</b>	<b>1 217 265 895</b>	<b>211 584 048</b>	<b>2 136 706 693</b>
Accumulated depreciation 01.01.	84 983 282	709 168 116	54 394 262	848 545 660
Additions accumulated depreciation 01.01 PTC merger		11 435 319	31 701 681	43 137 000
Additions accumulated depreciation 01.01 Iconic merger			3 054 511	3 054 511
Disposals/Impairment	0	-80 692 543	0	-80 692 543
Disposal depreciation	-9 037 406	0	-2 308 314	-11 345 720
Accumulated depreciation and write downs 31.12.	106 725 295	792 512 748	108 630 088	1 007 868 131
<b>Net book value 31.12.</b>	<b>601 131 457</b>	<b>424 753 147</b>	<b>102 953 962</b>	<b>1 128 838 567</b>
Depreciation in the year	30 779 419	152 601 856	21 787 948	205 169 223
Write-offs in the year	0	0	0	0
Write-offs in the year	0	13 502 094	1 879 169	15 381 263
Expected useful life	1-15 years	3-5 years	3-8 years	
Depreciation plan	Linear	Linear	Linear	

The acquisition cost of "Right of Use Asset" has been calculated based on the value and Right To Use assets at implementation date of transition.

**Note 6 Leases**

	2024	2023
<b>Right of use (ending balance)</b>		
Industrial unit	594 362 629	31 283 601
Leasing car	633 784	442 313
Leasing Forklift / Truck	447 227	0
Leasing office equipment	5 234 905	659 671
Leasing workshop equipment	1 652	2 963
Staff House	451 260	668 605
<b>Total right of use assets at year end</b>	<b>601 131 457</b>	<b>33 057 153</b>
<b>Lease liabilities (ending balance)</b>		
Industrial unit	596 849 758	31 594 092
Leasing car	636 436	446 703
Leasing Forklift /Truck	449 098	0
Leasing office equipment	5 256 811	666 218
Leasing workshop equipment	1 659	2 992
Staff House	453 148	675 242
<b>Total right of use liability's calculated at year end <sup>1)</sup></b>	<b>603 646 910</b>	<b>33 385 248</b>

<sup>1)</sup> Of the total balance at year end NOK 40 414 167 is due within one year and classified as current liability. Applied weighted average discount rate at the date of initial application was 5,35% at year end.

In "Other Interest Expense" in P&L a total of NOK 6 268 453 has been expensed in 2024. Corresponding interest for previous year was NOK 673 183.

**Maturity analysis, undiscounted cash flow**

	Less than 1 year	1-2 years	2-3 years	3-5 years	5-10 years	10-15 years
Industrial unit	35 931 572	34 971 044	29 426 727	63 796 882	192 839 281	239 884 252
Leasing forklift /truck	262 713	153 576	28 016	4 793	-	-
Leasing Car	351 058	249 433	35 945	-	-	-
Staff House	263 784	191 023	-	-	-	-
Office equipment & IT Hardware	3 605 040	1 651 771	-	-	-	-
<b>Total</b>	<b>40 414 167</b>	<b>37 216 847</b>	<b>29 490 688</b>	<b>63 801 675</b>	<b>192 839 281</b>	<b>239 884 252</b>

Expenses related to contracts with exception for short term leases that is not included in the above calculation.

	2024	2023
Industrial unit	10 707 783	608 771
Workshop equipment etc - short term lease	2 349 928	616 553
Rental cars / trucks / forklifts	775 588	441 683
Other rental expenses	1 212 446	212 671
<b>Total</b>	<b>15 045 745</b>	<b>1 879 678</b>

The applied internal interest is calculated with the application of the current external reference rate (NIBOR 3 month), current margin on the external long term loan and a margin to compensate for the non secured asset. Interwell Norway AS still apply the NIBOR reference as this is the current communicated reference from the current lender. The additional margin is calculated based on a comparison with similar transactions with similar risks.

At year end 2024 Interwell Norway AS still apply NIBOR as the reference to assess the financial risk under IFRS 16 as this is considered to be the fair value estimate in comparison to the existing external financing

**Note 7 Subsidiaries**

Subsidiaries	Business Office	Owner & Voting Share	Equity as of 31.12.2024	Result 2024	Value Recognized in Balance Sheet
PTC UK	Aberdeen	100 %	339 842	0	0
PTC Do Brasil	Rio de Janeiro	100 %	29 174 368	22 886 625	15 807 652
PTC ME	Dubai	100 %	32 882 633	22 324 800	1 069 094
					<b>16 876 746</b>

Interwell Norway AS has received total NOK 154 147 737 in dividend from PTC ME, PTC US, PTC UK and PTC Brasil in 2024.

**Note 8 Tax****Calculation of Deferred Tax Liability/Tax Asset**

Temporary Differences	Change	Comparable	
		2024	2023
Fixed Assets and intangible assets	-2 619 372	-177 454 768	-174 835 396
Inventory	401 722	-9 901 583	-10 303 305
Receivables	0	-1 564 858	-1 564 858
Leasing	-2 187 359	-2 515 453	-328 094
Accrued revenue	92 300	-87 660	-179 960
Other	-19 001 208	-20 678 573	-1 677 365
<b>Net Temporary Differences</b>	<b>-23 313 917</b>	<b>-212 202 895</b>	<b>-188 888 978</b>
Changes not included in deferred tax calculation	6 019 756	6 199 716	179 960
<b>Basis of Deferred Tax Liability</b>	<b>-32 077 493</b>	<b>-206 003 179</b>	<b>-173 925 686</b>
<b>Deferred tax / (Deferred tax asset in balance)</b>	<b>-7 057 048</b>	<b>-45 320 699</b>	<b>-38 263 651</b>
<b>Nominal Tax rate</b>		<b>22 %</b>	<b>22 %</b>

Basis of Tax Payable	2024	2023
	Pre Tax Profits	716 068 938
Expenses not deductible for tax purposes	-128 286 670	-34 404
Net taxable profits	587 782 268	417 165 018
Change in Temporary Differences	23 313 917	-5 209 612
Loss carried forward from merger	-137 977	0
<b>Basis of Tax Payable in Income Statement</b>	<b>610 958 208</b>	<b>411 955 406</b>

Tax expense	2024	2023
	Calculated tax payable on profits in Norway	134 410 806
Tax payable abroad	23 282 978	42 941 895
Changes in deferred tax	-7 057 048	1 124 551
Changes in deferred tax due to merger	1 235 410	0
Tax paid not reclaimable	0	45 947
Tax credit reclaimed	-23 282 978	-42 941 895
Changes in prev. year tax expense	3 800 568	-2 819 249
<b>Tax cost expensed</b>	<b>132 389 735</b>	<b>86 981 438</b>

Current tax balance	2024	2023
	Calculated tax payable on profits	134 410 806
Group contribution	-96 062 040	-4 469
Tax paid abroad reclaimed in Norway	-23 282 978	-42 941 895
Payable tax from previous years	5 128 168	0
"Skattefunn"	-3 320 713	0
Prepaid tax paid including abroad	-585 464	-803 440
<b>Net tax payable / (receivable)</b>	<b>16 287 779</b>	<b>46 880 386</b>

Taxes in Percentage of pre-tax profits	18,5 %	21,3 %
--	--------	--------

Nominal tax rate	2024	2023
	Tax at nominal rate	22,0 %
Effect from permanent and temporary differences	-3,5 %	-0,7 %
<b>Tax cost according to Profit and Loss Statement</b>	<b>18,5 %</b>	<b>21,3 %</b>

**Note 9 Guarantees and pledged security**

Interwell Norway AS is a member of the consolidated cash pool with Interwell AS.

As of year end the following assets were pledged as security towards the cash pool:

	2024	2023
Fixed Assets	527 707 109	348 740 913
Accounts Receivable	671 362 149	312 052 592
Inventory	467 416 387	360 335 034
<b>Total value asset pledged as security</b>	<b>1 666 485 645</b>	<b>1 021 128 539</b>

In addition the following bank guarantees are provided as security on leaseholds and contract obligation.

The Company has provided a guarantee of NOK 3 000 000 in favour of Namsfogden in Oslo

The Company has provided a guarantee of CAD 471 848 to Ovintiv Canada ULC for tool deliveries.

The Company has provided a guarantee of NOK 2 882 000 to Grilstadjæra 1 AS for the leaseholds in Trondheim.

In addition Interwell Norway AS has provided a guarantee to Stavanger Municipality Tax Authorities for payroll tax withholding of NOK 28 000 000.

**Note 10 Inventory**

	2024	2023
Raw materials & components	477 317 970	370 063 490
Impairment / obsolete goods	-9 901 583	-9 728 456
<b>Total</b>	<b>467 416 387</b>	<b>360 335 034</b>

**Note 11 Balance with group companies and other receivables**

Amounts that are included in Accounts receivable 31.12	2024	2023
Interwell UK Ltd.	53 446 527	49 977 074
Interwell US LLC	61 101 126	41 768 781
Interwell Middle East	1 893 650	-5 657 306
Interwell KSA	208 621 267	115 263 482
Interwell AS	-5 526 224	1 189 591
Interwell Oman	9 642 073	12 996 072
Interwell Australia	5 760 684	11 729 045
Interwell Southeast Asia	2 005 289	-3 571 982
Interwell Malaysia	41 330 175	39 487 345
Interwell P&A AS	2 929 690	1 437 630
Interwell Canada	9 576 246	2 534 632
Flowpro Well Technology AS	40 939 680	1 267 361
Interwell MENA Production LLC	6 471 524	-15 207 836
Interwell MENA Trading LLC	53 050 617	-135 160
PT Interwell Energi Services	6 431 415	0
Interwell Germany GmbH	5 291	0
PTC do Brasil	579 806	0
<b>Total receivable</b>	<b>498 258 836</b>	<b>253 078 729</b>

Amounts that are included in Accounts Payable 31.12	2024	2023
Interwell UK Ltd	703 457	198 934
Interwell Oman	522 945	51 223
Interwell Middle East	2 860	12 746 340
Interwell KSA	986 773	179 954
Interwell AS	77 240 096	53 901 521
Interwell Australia	1 386 074	1 624 798
Interwell Malaysia	0	22 372
Interwell Southeast Asia	1 522 860	304 708
Interwell P&A AS	33 456	2 766 431
Interwell US Ltd.	2 865 249	1 917 741
Interwell MENA Production LLC	9 341 937	7 772 394
Interwell MENA Trading LLC	30 851	36 194
PT Interwell Energi Services	586	0
<b>FX adjustments</b>	<b>509 437</b>	<b>272 333</b>
<b>Total Accounts Payable</b>	<b>95 146 581</b>	<b>81 794 943</b>

Amounts that are included in other current receivables	2024	2023
Group bank account net receivable	471 425 719	424 110 550
Other short term receivable Interwell US	29 557 240	0
Other short term receivable PTC ME	40 700 025	0
Other short term receivable PTC do Brasil	18 186 517	0
<b>Total other current receivables</b>	<b>559 869 501</b>	<b>424 110 550</b>

Amounts that are included in other current liabilities	2024	2023
Other short term debt Interwell US Holding AS	11 439 564	0
Group contribution	1 036 601 497	20 313
<b>Total other current liabilities</b>	<b>1 048 041 061</b>	<b>20 313</b>

**Note 12 Accrued revenue**

Accrued revenue is presented in Accounts Receivable

At year end Interwell Norway has accrued NOK 46 206 195 as external revenue. Corresponding accrual for previous year was NOK 49 568 330 as accrued revenue. All accrued revenue are related to external customers and not intercompany.

**Note 13 Government Grants**

The company has recorded NOK 3 320 713 as income from government grant from "Skattefunn" a Norwegian Research & Development scheme in 2024. Corresponding amount for 2023 was NOK 0.

Amount received was recorded as a cost reduction on the different projects.

**Note 14 Restricted cash and cash equivalents, multi currency cash pool agreement.**

Restricted cash	2024	2023
Tax withholding account employees	28 859	0

In addition, the company holds bank guarantee for tax withholding account. The Tax Withholding at year end is covered by the guarantee.

**Note 15 Equity**

Changes in Equity for the Year	Share Capital	Share Premium	Additional paid- in capital	Other Equity	Total
Equity 1.1	1 800 000	63 139 736	0	1 367 788 325	1 432 728 061
Merger with Iconic AS 01.01		29 643 087	18 325 966	0	47 969 053
Merger with Petroleum Technology Company AS 01.01		119 093 182	10 900 861	17 466 328	147 460 371
Profit for the year				583 679 203	583 679 203
Group contribution provided				-940 583 596	-940 583 596
Other changes				-575 423	-575 423
<b>Equity 31.12.</b>	<b>1 800 000</b>	<b>211 876 005</b>	<b>29 226 827</b>	<b>1 027 774 837</b>	<b>1 270 677 669</b>

**Note 16 Share Capital and Shareholder's Information****Share Capital consists of**

	Number	Nominal Value	Book value
Ordinary Shares	150 000	12,00	1 800 000
<b>Total</b>	<b>150 000</b>		<b>1 800 000</b>

All shares are owned by Interwell AS. Interwell Norway AS is part of the Interwell AS group.

Interwell Norway AS is a part of the Interwell AS group. Parent company Interwell AS prepares consolidated accounts.

Interwell AS has the following business address:

Moseidsletta 34  
4052 Røyneberg  
Norway

**Note 17 Related-Party Transactions**

Senior Management remuneration is described in note 3, and inter-group balances are described below.

The group companies transact with each other, and all transactions are conducted on arm's length basis at market prices.

## Note 18 Risks

### Market Outlook

The Board expect the global oil and gas market will likely remain strong in the coming year, where global conflicts and geopolitical unrest dominate in the short term. Economic uncertainty remains a significant factor influencing the global energy sector, where inflation has been more persistent than anticipated. Key priorities for the Company are to remain focused on continuously improving the operations and at the same time introduce new technology and product solutions to the market.

The global energy demand is expected to increase, and we see a trend where an unpredictable geopolitical situation tends to favour secure oil and gas production over more unpredictable renewables initiatives in the short to medium term

However, although the oil and gas market continues to see increased demand, there are considerable parallel efforts in decarbonisation initiatives in all areas where we operate. The industry must adhere to changing regulatory requirements and environmental factors, and governments must remain focused on and committed to reducing carbon emissions. Consequently, this will drive demand for alternative energy sources and pressure traditional oil and gas companies to adapt their business models. Interwell is well-positioned to navigate between these challenges and capitalise on the global oil and gas market opportunities. At the same time, the Company is transition-ready and committed to investing in developing new technologies and solutions that can help reduce carbon emissions in our part of the value chain to support a sustainable business cycle by continuing to provide high-quality products and services to our customers.

### Market and credit risk

As a supplier to the global oil and gas industry Interwell Norway AS is affected by global macro-economic cycles governing energy supply and demand, and indirectly the Interwell Norway's products and services. Interwell Norway AS is directly affected by the customers operating expenditures, and only to a limited extent affected by their capital expenditures. The customers are predominantly large E&P companies in the production phase, which historically have been secure payers. The Company therefore consider the credit risk to be limited, although the Company regularly review internal procedures to stay abreast with and increasing business complexity and international growth.

### Liquidity risk

The liquidity risk is considered limited, as it is expected that the investments will generate positive cash flow in the years to come. Although the growth strategy and investment pace may create a pressure on liquidity in the short term, the Company's view is that it controls the liquidity risk itself. Interwell is well financed through a leading Nordic bank, with significant covenant flexibility. Moreover, the Company enjoys a healthy rating in the credit market with relatively low gearing and an established cash management system in place.

## Note 19 Merger

Iconic AS, Petroleum Technology Company AS and Interwell Norway AS merged for accounting and tax purposes with effect from 01 January 2024. They are all wholly owned subsidiaries of Interwell AS. The purpose of the merger is to simplify the company structure in the group.

The merger is carried out in accordance with §13-24 and §13-1 of the Companies Act as a merger without remuneration between limited companies that are wholly owned by the same owner. The merger is carried out with accounting and tax continuity. Interwell Norway AS took over Iconic AS's and Petroleum Technology Company AS's accounting and tax positions in connection with the transferred assets, rights and obligations when the mergers took effect on 15 October 2024 and 26 November 2024. At the same time, Iconic AS and Petroleum Technology Company AS was dissolved. Total merger effect taken against equity is NOK 195 429 424 (note 14 equity). Comparable figures have not been prepared.