



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	916 928 092
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	HYDRAWELL HOLDING AS
Forretningsadresse:	Norsea Base Bygg 104 4056 TANANGER

### Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Stian Vemmestad
Dato for fastsettelse av årsregnskapet:	19.06.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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

Brønnøysundregistrene, 06.08.2025



## Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Annen driftsinntekt		607 205	
<b>Sum inntekter</b>		<b>607 205</b>	
<b>Kostnader</b>			
Lønnskostnad	2	4 038 450	
Annen driftskostnad	2	3 819 308	3 451 609
<b>Sum kostnader</b>		<b>7 857 758</b>	<b>3 451 609</b>
<b>Driftsresultat</b>		<b>-7 250 553</b>	<b>-3 451 609</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på investering i datterselskap og tilknyttet selskap			760 010
Renteinntekt fra foretak i samme konsern		10 764 111	1 385 064
Annen renteinntekt		20 137 194	1 401 898
<b>Sum finansinntekter</b>		<b>30 901 305</b>	<b>3 546 972</b>
Nedskrivning av finansielle eiendeler		7 739 143	
Annen rentekostnad		11 278 568	2 632 685
<b>Sum finanskostnader</b>		<b>19 017 711</b>	<b>2 632 685</b>
<b>Netto finans</b>		<b>11 883 594</b>	<b>914 287</b>
<b>Ordinært resultat før skattekostnad</b>		<b>4 633 041</b>	<b>-2 537 322</b>
Skattekostnad	3	2 125 214	
<b>Ordinært resultat etter skattekostnad</b>		<b>2 507 827</b>	<b>-2 537 322</b>
<b>Årsresultat</b>		<b>2 507 827</b>	<b>-2 537 322</b>
<b>Overføringer og disponeringer</b>			
Overføring til/fra annen egenkapital	4	2 507 827	-2 537 322
<b>Sum overføringer og disponeringer</b>		<b>2 507 827</b>	<b>-2 537 322</b>



## Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	357 513 098	368 109 054
Lån til foretak i samme konsern	6	198 583 315	179 310 010
Sum finansielle anleggsmidler		556 096 413	547 419 064
Sum anleggsmidler		556 096 413	547 419 064
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre fordringer		339 531	36 240
Konsernfordringer	6	25 000 164	2 362 691
Sum fordringer		25 339 695	2 398 931
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	7	156 000	3 135
Sum bankinnskudd, kontanter og lignende		156 000	3 135
Sum omløpsmidler		25 495 695	2 402 066
<b>SUM EIENDELER</b>		<b>581 592 108</b>	<b>549 821 130</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	4,8	107 445	107 445
Beholdning av egne aksjer	4	-35	-35
Overkurs	4	401 072 812	398 601 696



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Sum innskutt egenkapital</b>		<b>401 180 222</b>	<b>398 709 106</b>
<b>Sum egenkapital</b>		<b>401 180 222</b>	<b>398 709 106</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	3	4 810 428	
<b>Sum avsetninger for forpliktelser</b>		<b>4 810 428</b>	
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9	90 000 000	97 500 000
<b>Sum annen langsiktig gjeld</b>		<b>90 000 000</b>	<b>97 500 000</b>
<b>Sum langsiktig gjeld</b>		<b>94 810 428</b>	<b>97 500 000</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9	65 211 905	39 415 678
Leverandørgjeld		150 979	3 604 213
Skyldige offentlige avgifter	7	219 450	
Kortsiktig konserngjeld	6	11 965 546	9 231 768
Annen kortsiktig gjeld		8 053 578	1 360 365
<b>Sum kortsiktig gjeld</b>		<b>85 601 458</b>	<b>53 612 024</b>
<b>Sum gjeld</b>		<b>180 411 886</b>	<b>151 112 024</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>581 592 108</b>	<b>549 821 130</b>



### Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2	204 815 261	143 236 828
<b>Sum inntekter</b>		<b>204 815 261</b>	<b>143 236 828</b>
<b>Kostnader</b>			
Varekostnad		52 359 506	29 984 273
Lønnskostnad	3	90 551 566	48 966 571
Avskrivning	4,5	88 066 945	68 230 443
Annen driftskostnad	3,14	53 183 164	40 137 808
<b>Sum kostnader</b>		<b>284 161 181</b>	<b>187 319 095</b>
<b>Driftsresultat</b>		<b>-79 345 920</b>	<b>-44 082 267</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		306 146	92 063
Annen finansinntekt	6	23 220 386	11 955 324
<b>Sum finansinntekter</b>		<b>23 526 532</b>	<b>12 047 387</b>
Annen rentekostnad		11 603 595	7 446 951
Annen finanskostnad	6	3 429 141	1 109 146
<b>Sum finanskostnader</b>		<b>15 032 736</b>	<b>8 556 097</b>
<b>Netto finans</b>		<b>8 493 796</b>	<b>3 491 290</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-70 852 124</b>	<b>-40 590 977</b>
Skattekostnad	7	83 759	-3 676 124
<b>Ordinært resultat etter skattekostnad</b>		<b>-70 935 883</b>	<b>-36 914 853</b>
<b>Årsresultat</b>		<b>-70 935 883</b>	<b>-36 914 853</b>



## Konsernets balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Konsesjoner, patenter, lisenser, varemerker o.l.	5	107 408 502	142 878 717
Goodwill	5	95 437 805	128 321 263
<b>Sum immaterielle eiendeler</b>		<b>202 846 307</b>	<b>271 199 980</b>
<b>Varige driftsmidler</b>			
Maskiner og anlegg	4	30 915 635	9 577 250
Driftsløsøre, inventar, verktøy, kontormaskiner	4	8 026 991	9 851 712
<b>Sum varige driftsmidler</b>		<b>38 942 626</b>	<b>19 428 962</b>
<b>Finansielle anleggsmidler</b>			
Andre fordringer		4 172 684	3 585 140
<b>Sum finansielle anleggsmidler</b>		<b>4 172 684</b>	<b>3 585 140</b>
<b>Sum anleggsmidler</b>		<b>245 961 617</b>	<b>294 214 082</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		19 013 445	15 811 097
<b>Sum varer</b>		<b>19 013 445</b>	<b>15 811 097</b>
<b>Fordringer</b>			
Kundefordringer		35 208 129	34 241 809
Andre fordringer		6 498 533	6 588 077
<b>Sum fordringer</b>		<b>41 706 662</b>	<b>40 829 886</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	8	7 070 555	12 240 209
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>7 070 555</b>	<b>12 240 209</b>
<b>Sum omløpsmidler</b>		<b>67 790 662</b>	<b>68 881 192</b>
<b>SUM EIENDELER</b>		<b>313 752 279</b>	<b>363 095 274</b>



## Konsernets balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	9,10	107 445	107 445
Beholdning av egne aksjer		-35	-35
Overkurs	10	71 634 697	152 278 438
<b>Sum innskutt egenkapital</b>		<b>71 742 107</b>	<b>152 385 848</b>
<b>Sum egenkapital</b>		<b>71 742 107</b>	<b>152 385 848</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	7	25 771 835	29 768 644
Andre avsetninger for forpliktelser		138 306	225 106
<b>Sum avsetninger for forpliktelser</b>		<b>25 910 141</b>	<b>29 993 750</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	11	105 622 610	97 980 795
<b>Sum annen langsiktig gjeld</b>		<b>105 622 610</b>	<b>97 980 795</b>
<b>Sum langsiktig gjeld</b>		<b>131 532 751</b>	<b>127 974 545</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	11	65 211 904	39 415 678
Leverandørgjeld		18 567 904	17 670 090
Betalbar skatt	7	216 889	2 868 470
Skyldige offentlige avgifter		1 071 109	8 503 740
Annen kortsiktig gjeld		20 306 601	14 276 903
Gjeld til aksjonærer		5 103 014	
<b>Sum kortsiktig gjeld</b>		<b>110 477 421</b>	<b>82 734 881</b>
<b>Sum gjeld</b>		<b>242 010 172</b>	<b>210 709 426</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>313 752 279</b>	<b>363 095 274</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 753888

#### Enheten

Organisasjonsnummer: 916 928 092  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: HYDRAWELL HOLDING AS  
Forretningsadresse: Norsea Base Bygg 104  
4056 TANANGER

#### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

#### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

#### Regnskapsregler

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

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Stian Vemmestad  
Dato for fastsettelse av årsregnskapet: 19.06.2024

#### Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

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

Brønnøysundregistrene, 26.10.2024



Organisasjonsnr: 916 928 092  
HYDRAWELL HOLDING AS

## RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Annen driftsinntekt		607 205	
<b>Sum inntekter</b>		<b>607 205</b>	
<b>Kostnader</b>			
Lønnskostnad	2	4 038 450	
Annen driftskostnad	2	3 819 308	3 451 609
<b>Sum kostnader</b>		<b>7 857 758</b>	<b>3 451 609</b>
<b>Driftsresultat</b>		<b>-7 250 553</b>	<b>-3 451 609</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på investering i datterselskap og tilknyttet selskap			760 010
Renteinntekt fra foretak i samme konsern		10 764 111	1 385 064
Annen renteinntekt		20 137 194	1 401 898
<b>Sum finansinntekter</b>		<b>30 901 305</b>	<b>3 546 972</b>
<b>Nedskrivning av finansielle eiendeler</b>			
Annen rentekostnad		11 278 568	2 632 685
<b>Sum finanskostnader</b>		<b>19 017 711</b>	<b>2 632 685</b>
<b>Netto finans</b>		<b>11 883 594</b>	<b>914 287</b>
<b>Ordinært resultat før skattekostnad</b>			
Skattekostnad	3	2 125 214	-2 537 322
<b>Ordinært resultat etter skattekostnad</b>		<b>2 507 827</b>	<b>-2 537 322</b>
<b>Årsresultat</b>		<b>2 507 827</b>	<b>-2 537 322</b>
<b>Overføringer og disponeringer</b>			
Overføring til/fra annen egenkapital	4	2 507 827	-2 537 322
<b>Sum overføringer og disponeringer</b>		<b>2 507 827</b>	<b>-2 537 322</b>



Organisasjonsnr: 916 928 092  
HYDRAWELL HOLDING AS

## BALANSE

Beløp i: NOK	Note	2023	2022
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### BALANSE - EIENDELER

#### Anleggsmidler

##### Immaterielle eiendeler

Sum immaterielle eiendeler 0

##### Finansielle anleggsmidler

Investering i datterselskap 5 357 513 098 368 109 054

Lån til foretak i samme  
konsern 6 198 583 315 179 310 010

Sum finansielle  
anleggsmidler 556 096 413 547 419 064

Sum anleggsmidler 556 096 413 547 419 064

#### Omløpsmidler

##### Varer

##### Fordringer

Andre fordringer 339 531 36 240

Konsernfordringer 6 25 000 164 2 362 691

Sum fordringer 25 339 695 2 398 931

##### Bankinnskudd, kontanter og lignende

Bankinnskudd, kontanter  
og lignende 7 156 000 3 135

Sum bankinnskudd,  
kontanter og lignende 156 000 3 135

Sum omløpsmidler 25 495 695 2 402 066

SUM EIENDELER 581 592 108 549 821 130

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Aksjekapital 4,8 107 445 107 445

Beholdning av egne aksjer 4 -35 -35

Overkurs 4 401 072 812 398 601 696

Sum innskutt egenkapital 401 180 222 398 709 106

Sum egenkapital 401 180 222 398 709 106

#### Gjeld

##### Langsiktig gjeld

Utsatt skatt 3 4 810 428



<b>Sum avsetninger for forpliktelser</b>		<b>4 810 428</b>	
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9	90 000 000	97 500 000
<b>Sum annen langsiktig gjeld</b>		<b>90 000 000</b>	<b>97 500 000</b>
<b>Sum langsiktig gjeld</b>		<b>94 810 428</b>	<b>97 500 000</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9	65 211 905	39 415 678
Leverandørgjeld		150 979	3 604 213
Skyldige offentlige avgifter	7	219 450	
Kortsiktig konserngjeld	6	11 965 546	9 231 768
Annen kortsiktig gjeld		8 053 578	1 360 365
<b>Sum kortsiktig gjeld</b>		<b>85 601 458</b>	<b>53 612 024</b>
<b>Sum gjeld</b>		<b>180 411 886</b>	<b>151 112 024</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>581 592 108</b>	<b>549 821 130</b>



Organisasjonsnr: 916 928 092  
HYDRAWELL HOLDING AS

## KONSERNRESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2	204 815 261	143 236 828
<b>Sum inntekter</b>		<b>204 815 261</b>	<b>143 236 828</b>
<b>Kostnader</b>			
Varekostnad		52 359 506	29 984 273
Lønnskostnad	3	90 551 566	48 966 571
Avskrivning	4,5	88 066 945	68 230 443
Annen driftskostnad	3,14	53 183 164	40 137 808
<b>Sum kostnader</b>		<b>284 161 181</b>	<b>187 319 095</b>
<b>Driftsresultat</b>		<b>-79 345 920</b>	<b>-44 082 267</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		306 146	92 063
Annen finansinntekt	6	23 220 386	11 955 324
<b>Sum finansinntekter</b>		<b>23 526 532</b>	<b>12 047 387</b>
Annen rentekostnad		11 603 595	7 446 951
Annen finanskostnad	6	3 429 141	1 109 146
<b>Sum finanskostnader</b>		<b>15 032 736</b>	<b>8 556 097</b>
<b>Netto finans</b>		<b>8 493 796</b>	<b>3 491 290</b>
<b>Ordinært resultat før skattekostnad</b>			
Skattekostnad	7	-70 852 124	-40 590 977
<b>Ordinært resultat etter skattekostnad</b>		<b>83 759</b>	<b>-3 676 124</b>
<b>Årsresultat</b>		<b>-70 935 883</b>	<b>-36 914 853</b>



Organisasjonsnr: 916 928 092  
HYDRAWELL HOLDING AS

## KONSERNBALANSE

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Konsesjoner, patenter, lisenser, varemerker o.l.	5	107 408 502	142 878 717
Goodwill	5	95 437 805	128 321 263
<b>Sum immaterielle eiendeler</b>		<b>202 846 307</b>	<b>271 199 980</b>
<b>Varige driftsmidler</b>			
Maskiner og anlegg	4	30 915 635	9 577 250
Driftsløsøre, inventar, verktøy, kontormaskiner	4	8 026 991	9 851 712
<b>Sum varige driftsmidler</b>		<b>38 942 626</b>	<b>19 428 962</b>
<b>Finansielle anleggsmidler</b>			
Andre fordringer		4 172 684	3 585 140
<b>Sum finansielle anleggsmidler</b>		<b>4 172 684</b>	<b>3 585 140</b>
<b>Sum anleggsmidler</b>		<b>245 961 617</b>	<b>294 214 082</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		19 013 445	15 811 097
<b>Sum varer</b>		<b>19 013 445</b>	<b>15 811 097</b>
<b>Fordringer</b>			
Kundefordringer		35 208 129	34 241 809
Andre fordringer		6 498 533	6 588 077
<b>Sum fordringer</b>		<b>41 706 662</b>	<b>40 829 886</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	8	7 070 555	12 240 209
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>7 070 555</b>	<b>12 240 209</b>
<b>Sum omløpsmidler</b>		<b>67 790 662</b>	<b>68 881 192</b>
<b>SUM EIENDELER</b>		<b>313 752 279</b>	<b>363 095 274</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
Innskutt egenkapital			
Aksjekapital	9,10	107 445	107 445



Beholdning av egne aksjer		-35	-35
Overkurs	10	71 634 697	152 278 438
<b>Sum innskutt egenkapital</b>		<b>71 742 107</b>	<b>152 385 848</b>
<b>Sum egenkapital</b>		<b>71 742 107</b>	<b>152 385 848</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	7	25 771 835	29 768 644
Andre avsetninger for forpliktelses		138 306	225 106
<b>Sum avsetninger for forpliktelses</b>		<b>25 910 141</b>	<b>29 993 750</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	11	105 622 610	97 980 795
<b>Sum annen langsiktig gjeld</b>		<b>105 622 610</b>	<b>97 980 795</b>
<b>Sum langsiktig gjeld</b>		<b>131 532 751</b>	<b>127 974 545</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	11	65 211 904	39 415 678
Leverandørgjeld		18 567 904	17 670 090
Betalbar skatt	7	216 889	2 868 470
Skyldige offentlige avgifter		1 071 109	8 503 740
Annen kortsiktig gjeld		20 306 601	14 276 903
Gjeld til aksjonærer		5 103 014	
<b>Sum kortsiktig gjeld</b>		<b>110 477 421</b>	<b>82 734 881</b>
<b>Sum gjeld</b>		<b>242 010 172</b>	<b>210 709 426</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>313 752 279</b>	<b>363 095 274</b>



Organisasjonsnr: 916 928 092  
HYDRAWELL HOLDING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

**Note**

1

**Regnskapsprinsipper**

General The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The company is the parent company of the group and prepares consolidated annual accounts. Use of estimates The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway. Balance sheet valuation and classification Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long term creditors. Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value. Subsidiaries and investment in associate Subsidiaries and investments in associates are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present. Dividends and other distributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet. Accounts receivable and other receivables Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Income tax The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Cash flow statement The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments.

**Note**

4,8

**Antall aksjer og aksjeeiere**

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	107445.00	1.00	107445.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>



Norvestor VII L.P	47353.00	44.08%
Norvestor VII OS L.P	14979.00	13.94%
Emo Invest AS	10030.00	9.34%
RR Invest Holding AS	9905.00	9.22%
Tananger Investering AS	4952.00	4.61%
Fonsmagna Invest AS	4952.00	4.61%
Sernet Invest AS	2476.00	2.30%
Pahs Holding AS	2476.00	2.30%
Ages Consulting AS	2476.00	2.30%
MG Southhome AS	1697.00	1.58%
Wellwork Innovation AS	1236.00	1.15%
Ors Invest AS	990.00	0.92%
Mamema Invest AS	990.00	0.92%
Andre	2933.00	2.73%
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>
	107445.00	100.00%

Some of the members of management/directors have ownership shares and rights through private holding companies: Odd Engelsgjerd (Board Member) has 10 030 shares (10%) and 10% voting share.

#### Note

2

#### Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	450000.00	450000.00
<u>Arbeidsqiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	63450.00	63450.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	3525000.00	
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	4038450.00	513450.00

The company does not have any employees and are therefore the law of mandatory pension arrangements is not applicable.

#### Note

2

#### Ytelser til ledende personer

Er det gitt ytelser til ledende person: Nei

#### Ytelser til daglig leder

<u>Ytelser</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
----------------	-------------	---------------------	----------------------

The general manager receives a salary from the subsidiary Hydra Well Intervention AS.



Remuneration to the board of directors was NOK 600 000 in 2023

**Note**

2

**Ytelser til revisjon**

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	394362.00	148400.00
<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
	1163657.00	71000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	1558019.00	219400.00

VAT is not included in the fees specified above

**Note**

2

**Antall årsverk i regnskapsåret**

Virksomheten har hatt følgende antall årsverk:

0.00

The company does not have any employees and are therefore the law of mandatory pension arrangements is not applicable.

**Note**

**Lån og sikkerhetsstillelse til ledende personer og aksjeeiere**

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

**Note**

5

**Konsern, tilknyttet selskap og datterselskap**

**Tilknyttet selskap/datterselskap**

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
Hydra Well Intervention AS	100.00%	100.00%		
READ CH Ltd	100.00%	100.00%		
ANSA Data Analytics	100.00%	100.00%		
Hydra Systems AS	100.00%	100.00%		
HydraWell UK Ltd	100.00%	100.00%		
Hydrawell USA Inc	77.00%	77.00%		
READ CH Inc USA	100.00%	100.00%		

Subsidiaries: Hydra Well Intervention AS READ CH Ltd ANSA Data Analytics Subsidiaries held through subsidiaries: Hydra Systems AS HydraWell UK Ltd Hydrawell USA Inc Read Cased Hole AS\* READ CH Inc





Organisasjonsnr: 916 928 092  
HYDRAWELL HOLDING AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

## Note

1

### Regnskapsprinsipper

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The parent company was established the 15. March 2016, and the group was established the 29. April 2016 through the acquisition of HydraWell Group AS and its subsidiaries. The group sells technology and provides services to the Oil & Gas industry. The Group's consolidated financial statements comprise HydraWell Holding AS and companies in which HydraWell Holding AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Minority interests are included in the Group's equity. Transactions between group companies have been eliminated in the consolidated financial statement. The consolidated financial statement has been prepared in accordance with the same accounting principles for both parent and subsidiary. The purchase method is applied when accounting for business combinations. Companies which have been bought or sold during the year are included in the consolidated financial statements from the date when control is achieved and until the date when control ceases. Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value. Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flow from the asset is used. Goodwill on acquisitions is valued at cost. This constitutes the part of the total purchase cost that exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities. After the initial capitalization, goodwill is valued at cost less any accumulated depreciation and impairment losses. Capitalized goodwill is tested for impairment and is reviewed against the recoverable amount for indicators of impairment that is not deemed to be temporary in nature. Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs is amortized linearly over its useful life. Research costs are expensed as incurred. Accounts



receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss. Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period. Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred. For equipment used in well, the risk and return are considered transferred when the equipment is put to use by the client. Service income is recognized when the service is rendered. The proportion of sales revenues related to future services is recorded as unearned revenue when sold, and recorded as unearned revenue when sold, and recognized as income when the service is rendered.

#### Note

9,10

#### Antall aksjer og aksjeeiere

Aksjeklasse	Ant. aksjer	Pålydende	Bokført verdi
Ordinære aksjer	107445.00	1.00	107445.00

Aksjeeiere - fritekst	Antall	Eierandel	Aksjeklasse
Norvestor VII L.P	47353.00	44.07%	
Norvestor VII OS L.P	14979.00	13.94%	
Emo Invest AS	10030.00	9.34%	
RR Invest Holding AS	9905.00	9.22%	
Tananger Investering AS	4952.00	4.61%	
Fonsmagna Invest AS	4952.00	4.61%	
Sernet Invest AS	2476.00	2.30%	
Pahs Holding AS	2476.00	2.30%	
Ages Consulting AS	2476.00	2.30%	
MG Southhome AS	1697.00	1.58%	
Wellwork Innovation AS	1236.00	1.15%	
Ors Invest AS	990.00	0.92%	
Mamema Invest AS	990.00	0.92%	
Andre	2933.00	2.74%	

Sum	Sum antall	Sum eierandel
	107445.00	100.00%

Some of the members of management/directors have ownership shares and rights through private holding companies: Odd Engelsgjerd (Board Member) has 10 030 shares (9,34%) and 9,34% voting share through Emo Invest AS and 4 952 shares (4,61%) and 4,61% through Tananger Investering AS.

#### Note

3

#### Lønn og ytelser

Lønn	Årets	Fjorårets
------	-------	-----------



78044081.00 41106267.00

<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	3604850.00	5112740.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	2870915.00	2199255.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	6031719.00	548309.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	90551565.00	48966571.00

Management remuneration The board member Odd Engelsgjerd is employed in the subsidiary Hydra Well Intervention AS. Mark Sørheim has been employed as the general manager since 01.07.2017.

#### Ytelser til daglig leder

##### Note

3

#### Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
Odd Engelsgjerd	156534.00	6216.00	61840.00
Mark Sørheim	2375251.00	88620.00	20812.00
<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
	2531785.00	94836.00	82652.00

##### Note

3

#### Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	1216891.00	501380.00
<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
	1432242.00	296657.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	2649133.00	798037.00

VAT is not included in the fees specified above.

##### Note

3

#### Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:



76.00

**Note**

3

**Obligatorisk tjenestepensjon**

Er virksomheten pliktig til å ha tjenestepensjonsordning etter lov:  
Ja

Oppfyller pensjonsordning lovkravene: Ja

The group is required to have pension arrangement for all Norwegian employees ("tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon"). The group pension arrangements (defined contribution plans) fulfil the requirements of the law.

**Note**

**Lån og sikkerhetsstillelse til ledende personer og aksjeeiere**

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

**Note**

3

**Konsern, tilknyttet selskap og datterselskap**

**Tilknyttet selskap/datterselskap**

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
Hydrawell Intervention AS	100.00%	100.00%		
READ CH Ltd	100.00%	100.00%		
ANSA Data Analytics	100.00%	100.00%		
Hydra Systems AS	100.00%	100.00%		
HydraWell UK Ltd	100.00%	100.00%		
Hydrawell USA Inc	77.00%	77.00%		
READ CH Inc USA	100.00%	100.00%		

Subsidiaries: Hydra Well Intervention AS READ CH Ltd ANSA Data Analytics ANSA Data Analytics Subsidiaries held through subsidiaries: Hydra Systems AS HydraWell UK Ltd Hydrawell USA Inc Read Cased Hole AS\* READ CH Inc USA \*Read Cased Hole AS was liquidated in December 2022  
Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Ja

<u>Navn</u>	<u>Forretningskontor</u>
Hydrawell Holding AS	Norsea Base Bygg 104, 4056 TANANGER

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
---------------------	------------------	------------------	----------------



Skattemessig fremf.undersk. Startdato Sluttdato Endring

Kortsiktig gjeld Startdato Sluttdato Endring



Skatteetaten

Vår dato 28.08.2018	Din dato 20.08.2018	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din referanse Mark Sørheim	Telefon 22078139
Org.nr 996250318	Vår referanse 2018/1014044	Postadresse Postboks 9200 Grønland 0134 Oslo

HYDRAWELL HOLDING AS  
Postboks 182  
4098 TANANGER

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Hydrawell Holding AS, org.nr. 916 928 092

Vi viser til deres brev av 20. august 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Hydrawell Holding AS.

Skattedirektoratet gir på bakgrunn av en konkret vurdering Hydrawell Holding AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Hydrawell Holding AS er et holdingselskap med datterselskap i utlandet. Selskapets hovedaksjonær er et utenlandsk private equity fond, og selskapet eies for øvrig av utenlandske og norske investorer. Konsernet leverer oljeservice tjenester tilknyttet plugging og permanent stenging av oljebrønner. Kundene er internasjonale oljeselskaper og konsernets tjenester tilbys og leveres til kunder i hele verden. Selskapet opererer i en internasjonal bransje hvor kommunikasjonen foregår på engelsk. Selskapets arbeidsspråk er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### Skattedirektoratets vurdering

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

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

*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,*



*f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapets hovedaksjonær er et utenlandsk private equity fond. Eierkretsen er begrenset. Selskapet opererer i en internasjonal bransje. Arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Jeanette Munkvold Skovholt  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*



Admincontrol

## List of Signatures Page 1/1

### HWH Directors Report 2023.pdf

Name	Method	Signed at
Grant, Shona Macfarlane	BANKID	2024-06-20 15:06 GMT+02
Teesdale, Christopher	BANKID	2024-06-20 13:40 GMT+02
Baalerud, Per-Ola	BANKID	2024-06-20 13:12 GMT+02
Engelsgjerd, Odd	BANKID	2024-06-20 12:55 GMT+02



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External reference: A16BDBA6DAD941736BD08CB299D4E7073

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## Board of Directors' Report HydraWell Holding AS

### Scope of Business

HydraWell invented the PWC® technology and offers solutions that eliminates oil & gas leaks, reduces CO2 emissions and avoids hazardous waste disposal. The company has installed more than 580 plugs within Permanent Plug and Abandonment (PP&A), Slot Recovery, Zonal Isolation, Annular Integrity Testing and Well Remediation, many in challenging well conditions and configurations. The technology was first applied on the Norwegian continental shelf and has since become the favoured plugging method for several supermajors, majors, NOCs and independent oil companies worldwide.

The HydraWell group was established April 28<sup>th</sup>, 2016, and the headquarter is in Sola, Norway. In September 2022, HydraWell merged with the READ group. The READ group of companies delivers data acquisition from cased oil and gas wells and data analysis of the integrity and performance of wells.

Following the merger, the group includes the parent company HydraWell Holding AS and the subsidiaries Hydra Well Intervention AS, READ Cased Hole LTD and ANSA Data Analytics Ltd. In addition, the following entities are included as subsidiaries or sub-subsidiaries: Hydra Systems AS, HydraWell UK Ltd, HydraWell USA Inc and READ Cased Hole Inc.

### Statement of Income

HydraWell Holding financial statements for 2023 has been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

### Operating Revenue

Actual turnover in the group was NOK 204.8 million in 2023 compared to NOK 143.2 million in 2022. The group has signed new contracts both locally and internationally that will support growth in revenue in the years to come.

### Operating Result (EBITDA)

The group's earnings before interest, tax, depreciation, and amortization (EBITDA) amounted to NOK 8.7 million in 2023 compared to NOK 24.1 million in 2022.

### Depreciations

Depreciations of tangible fixed assets was NOK 8.2 million. Amortization of intangible fixed assets was NOK 79.8 million in 2023 compared to NOK 64.5 million the year before.

### Net financial items and profit and after tax

Net financial items amounted to NOK 8.5 million compared to NOK 3.5 million in 2022. Profit before tax was NOK -70.8 million compared to NOK -40.6 million in 2022. Tax was NOK 0.1 million resulting in a net profit of NOK -70.9 million.

### Cash flow and financial positions

Total cash flow from operations for the group was NOK -7.0 million. The difference between profit before tax and cash flow from operations is due to taxes, depreciations, and amortizations, change in inventories and changes in working capital. The cash flow from investment activities was NOK -36.8 million, which was related to investments in development of software, purchase of tangible fixed assets related to tools for use in the operations. Cash flow from financing activities was NOK 36.7 million including changes in bank overdraft facility, shareholder loans and repayment of long-term debt.

As of 31 December 2023, the group had bank overdraft liabilities of NOK 65.2 million.

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The seal is a guarantee for the authenticity  
of the document.

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Following the merger with READ, the long-term loans were refinanced with two loan tranches of NOK 50 million where one has quarterly principal payments of NOK 2.5 million from 30.12.2022 to 30.09.2027. The remaining balance of NOK 50 million will be paid on the loan's expiry date at 30.09.2027. The loan has financial covenants that ties to equity and net-interest bearing debt over EBITDA. The company has received additional shareholders' loan of NOK5 million to compensate for working capital requirements.

The group's current assets amounted to 21.6 % of total assets per 31 December 2023. Total assets at the end of the year were NOK 313.7 million and the equity ratio was 22.9 %.

The group has R&D activities and has had costs related to this in 2023.

The parent company HydraWell Holding AS had NOK 0.6 million in revenue and an ordinary result of NOK 2.5 million in 2023. The parent company has no employees.

### Going Concern

Following an extended period of slower activity within the oil & gas markets the overall industry activity level increased significantly during 2023 and has continued to increase in the first six months of 2024 resulting from, inter alia, growing energy demands, robust oil & gas prices, and improved investor confidence in the sector. The ongoing energy transition and strong focus on ESG and sustainability has led to regulators and operators focusing on maximising output from existing infrastructure, and the group is exceptionally well placed to benefit from this development given its focus on well integrity, increased oil recovery and permanent plugging and abandonment (P&A) through its three operating subsidiaries.

During 2023, HydraWell continued to expand its global customer base through performing work for customers in regions such as Netherlands, Malaysia, UK, Norway, Canada and USA. The year also saw an important breakthrough for a new PWC® solution as 9 plugs were placed for a supermajor in Alaska using the HydraCT™ coiled tubing conveyed system significantly reducing cost and time for permanent plugging both on- and offshore.

Despite the very active technology- and business development throughout the year and the positive market momentum, the number of billable plugging operations were lower than expected resulting in a marginal positive EBITDA of MNOK 8.7 for the year. Increased international operations with longer cash cycles put pressure on the liquidity. During the year, the company increased its revolving credit facility with the bank and received shareholder loans to safeguard liquidity and maintain operational flexibility. The company also made changes to its organizational setup as well as modifications to its pricing policy which in combination has resulted in a significant reduction in the cash breakeven level in terms of plugging activity. This has been demonstrated in 2024 and the Board expects to see a significant increase in activities for HydraWell PWC®.

Activities within well logging and data analytics were strong in 2023 and Read Cased Hole and ANSA Analytics saw strong growth from 2022 both in terms of revenues and operating results. The positive trend has continued in 2024 and the long term fundamentals for this business area is strong.

Based on the above and in accordance with the Accounting Act § 3-3a, we confirm that the going concern assumption is present and that the financial statements have been prepared under the assumption of going concern.

The Board is of the opinion that the annual report provides a fair presentation of the Group's assets and debt, financial position, and financial performance.

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## Risk Factors

The group has exposure to market risk, credit risk, and liquidity risk. With regards to market risk, the group has exposure to currency and interest rate risk. Currency risk includes risk from contractual purchase or sale denominated in foreign currencies, in addition to foreign investments and future cash flow from these investments. The currency risk is reduced by having parts of the cost base in foreign currencies as well.

The loss on receivables has historically been low, and risk of losses on receivables is considered limited. The group considers its liquidity as acceptable.

The company has a Directors and Officers (D&O) liability insurance for Board members and the CEO which protects individuals from personal losses if they are sued as a result of serving as a director or officer.

## Work Environment, Transparency, Equality and Discrimination

Sick leave in the group was approximately 2 % in 2023. During the course of the year no injuries were reported which resulted in a lost time or recordable injury. Working environment is good, and improvements are being continuously evaluated and implemented.

The Board of Hydrawell Holding AS consists of three male members and one female member. At the end of 2023, the group consisted of a total of 66 employees, including 10 women and 56 men. The goal is to be a workplace where there is full gender equality. The Board and management are aware of the societal expectations on measures to promote gender equality.

The Anti-Discrimination Act is to promote equality, ensure equal opportunities and rights and prevent discrimination based on ethnicity, national origin, ancestry, colour, language, religion and belief. The Group works actively, purposefully and systematically to promote the purpose within our business. The activities include recruitment, pay and working conditions, promotion, development and protection against harassment.

Also, Hydrawell has published a report that describes the company's work related to the Transparency Act ("Åpenhetsloven"). The report is published on the company's website, [www.hydrawell.com](http://www.hydrawell.com).

The group aims to be a workplace where there is no discrimination on grounds of disability. The group works actively and purposefully to design and facilitate the physical conditions so that the different functions can be used by as many people as possible. For employees or applicants with disabilities, individual arrangements are made with regards to workplace and work tasks.

The operations do not affect the external environment beyond the normal for the company business.

## Outlook

Following the merger with READ, the combined company has become a leading well integrity and P&A specialist supporting the ongoing energy transition. The geographical footprint of the group has significantly increased and will fuel further geographical expansion. The company will continue developing new technology together with clients. As a result of this, the attractiveness and service uniqueness of the company is expected to increase.

Even though the company is experiencing increased market acceptance of the patented PwC® technology in new regions, there is expected to be some seasonality PwC® workload in first half of 2024. The logging business has developed very favourably in 2023, and this trend is expected to continue into 2024.

The cost base has been reduced in 2024. Combined with a focused and increasingly global

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organisation and unique products, this is expected to result in increased profitability and cash flow going forward.

### Net Profit and Allocations

The Board proposes the following allocation of the loss for Hydrawell Holding AS:

Transferred to other equity	NOK 2 507 827
Total allocation	NOK 2 507 827

No dividend is proposed in respect of the 2023 financial year.

Tananger, 19 June 2024

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Per-Ola Baalerud  
Chairman

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Odd Engelsingjerd  
Board member

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Roy Inge Jensen  
Board member

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Christopher Teesdale  
Board member

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Ernst & Young AS

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## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Hydrawell Holding AS

### Opinion

We have audited the financial statements of Hydrawell Holding AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### 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 and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (The Board of Directors) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

### Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Company's and the Group'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 management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors 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.



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Stavanger, 24 June 2024  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Jan Kvalvik  
State Authorised Public Accountant (Norway)

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## Kvalvik, Jan

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### 23 HWH Financial Statement 2023.pdf

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Teesdale, Christopher	BANKID	2024-06-20 13:47 GMT+02
Baalerud, Per-Ola	BANKID	2024-06-20 13:12 GMT+02
Engelsgjerd, Odd	BANKID	2024-06-20 12:56 GMT+02



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**Hydrawell Holding AS**

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## Annual report 2023

### Annual accounts

- Income statement
- Balance sheet
- Cash flow statement
- Notes

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## HydraWell Holding AS - Consolidated financial statements

### Income Statement

	Notes	2023	2022
<b>Revenue</b>			
Sales revenue	2	204 815 261	143 236 828
<b>Total Revenue</b>		<b>204 815 261</b>	<b>143 236 828</b>
<b>Operating expenses</b>			
Cost of goods sold		52 359 506	29 984 273
Payroll expenses	3	90 551 566	48 966 571
Depreciation of tangible fixed assets	4	8 243 478	3 731 543
Amortization of intangible fixed assets	5	79 823 467	64 498 900
Other operating expenses	3,14	53 183 164	40 137 808
<b>Total operating expenses</b>		<b>284 161 181</b>	<b>187 319 096</b>
<b>OPERATING RESULT</b>		<b>-79 345 920</b>	<b>-44 082 267</b>
<b>Financial items</b>			
<b>Finance income</b>			
Other interest income		306 146	92 063
Other finance income	6	23 220 386	11 955 324
<b>Total finance income</b>		<b>23 526 531</b>	<b>12 047 387</b>
<b>Finance expense</b>			
Other interest expenses		11 603 595	7 446 951
Other finance expenses	6	3 429 141	1 109 146
<b>Total finance expense</b>		<b>15 032 735</b>	<b>8 556 097</b>
<b>NET FINANCIAL ITEMS</b>		<b>8 493 796</b>	<b>3 491 290</b>
<b>ORDINARY RESULT BEFORE TAX</b>		<b>-70 852 124</b>	<b>-40 590 977</b>
Tax on ordinary result	7	83 759	-3 676 124
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>		<b>-70 935 883</b>	<b>-36 914 853</b>

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## HydraWell Holding AS - Consolidated financial statements

### Balance sheet as of December 31

ASSETS	Notes	2023	2022
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>			
Patented technology	5	97 533 333	139 333 333
Software	5	9 875 169	3 545 384
Goodwill	5	95 437 805	128 321 263
<b>Total intangible assets</b>		<b>202 846 307</b>	<b>271 199 980</b>
<b>Tangible assets</b>			
Machinery and plant	4	30 915 636	9 577 250
Fixtures and fittings, tools, office machinery etc.	4	8 026 991	9 851 712
Other long term assets		4 172 684	3 585 140
<b>Total tangible assets</b>		<b>43 115 311</b>	<b>23 014 102</b>
<b>TOTAL FIXED ASSETS</b>		<b>245 961 618</b>	<b>294 214 082</b>
<b>CURRENT ASSETS</b>			
Inventories		19 013 445	15 811 097
<b>Receivables</b>			
Trade receivables		35 208 129	34 241 809
Other receivables		6 498 533	6 588 077
<b>Total accounts receivable</b>		<b>41 706 662</b>	<b>40 829 886</b>
Cash and cash equivalents	8	7 070 555	12 240 209
<b>TOTAL CURRENT ASSETS</b>		<b>67 790 662</b>	<b>68 881 192</b>
<b>TOTAL ASSETS</b>		<b>313 752 279</b>	<b>363 095 274</b>

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## HydraWell Holding AS - Consolidated financial statements

### Balance sheet as of December 31

<b>EQUITY AND LIABILITIES</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>EQUITY</b>			
Paid-in capital			
Share capital	9,10	107 445	107 445
Treasury shares		-35	-35
Share premium	10	71 634 697	152 278 438
<b>Total paid-in capital</b>		<b>71 742 107</b>	<b>152 385 848</b>
<b>TOTAL EQUITY</b>		<b>71 742 107</b>	<b>152 385 848</b>
<b>LIABILITIES</b>			
<b>LONG TERM LIABILITIES</b>			
<b>Provisions</b>			
Deferred tax	7	25 771 835	29 768 644
Other provisions		138 306	225 106
<b>Total provisions</b>		<b>25 910 141</b>	<b>29 993 750</b>
<b>Other long term liabilities</b>			
Liabilities to financial institutions	11	105 622 610	97 980 795
<b>Total other long term liabilities</b>		<b>105 622 610</b>	<b>97 980 795</b>
<b>TOTAL LONG TERM LIABILITIES</b>		<b>131 532 751</b>	<b>127 974 545</b>
<b>SHORT TERM LIABILITIES</b>			
Liabilities to financial institutions	11	65 211 904	39 415 678
Shareholder loan	11	5 103 014	-
Trade payables		18 567 904	17 670 090
Tax payable	7	216 889	2 868 470
Public duties payable		1 071 109	8 503 740
Other short term liabilities		20 306 601	14 276 902
<b>TOTAL SHORT TERM LIABILITIES</b>		<b>110 477 421</b>	<b>82 734 881</b>
<b>TOTAL LIABILITIES</b>		<b>242 010 172</b>	<b>210 709 426</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>313 752 279</b>	<b>363 095 274</b>

Tananger, 19. June 2024

Per-Ola Baalerud  
Chairman of the Board

Odd Engelsgjerd  
Member of the Board

Shona Macfarlane Grant  
Member of the Board

Christopher Teesdale  
Member of the Board

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## HydraWell Holding AS - Consolidated financial statements

### Consolidated cash flow statement

<b>Cash flow from operating activities</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
Profit/(loss) before tax		-70 852 124	-40 590 977
Taxes paid		-10 586 321	-4 304 906
Depreciation		8 243 478	3 731 543
Amortization		79 823 467	64 498 900
Change in inventories		-3 202 348	-523 616
Change in trade receivables		-966 320	-1 281 814
Change in trade payables		897 814	-7 079 753
Effect of changes in exchange rates		-11 231 069	-1 325 132
Changes in other current balance sheet items		877 036	-25 988 059
<b>Net cash flow from operating activities</b>		<b>-6 996 387</b>	<b>-12 863 814</b>
<b>Cash flow from investing activities</b>			
Sale of tangible fixed assets		-	1 484 300
Purchase of tangible fixed assets		-36 838 156	-8 856 197
Cash received in merger		-	4 816 430
<b>Net cash flow from investing activities</b>		<b>-36 838 156</b>	<b>-2 565 467</b>
<b>Cash flow from financing activities</b>			
Net draw down and repayment of long term debt		7 765 649	-6 051 039
Draw down on short term shareholder loan		5 103 014	-
Net change in bank overdraft		25 796 226	18 287 635
Proceeds from share subscriptions		-	4 818 265
<b>Net cash flow from financing activities</b>		<b>38 664 889</b>	<b>17 054 861</b>
Cash and cash equivalents at 01.01.		12 240 209	10 604 629
Changes in cash and cash equivalents		-5 169 654	1 635 580
<b>Cash and cash equivalents at 31.12.</b>		<b>7 070 555</b>	<b>12 240 209</b>

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## HydraWell Holding AS – Consolidated financial statements

### Note 1

#### Accounting principles

##### *General*

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The parent company was established the 15. March 2016, and the group was established the 29. April 2016. In September 2022, HydraWell merged with the READ group. The READ group has been included in the financial statement of HydraWell from October 1st 2022. The group sells technology and provides services to the Oil & Gas industry.

##### *Basis for consolidation*

The Group's consolidated financial statements comprise HydraWell Holding AS and companies in which HydraWell Holding AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Minority interests are included in the Group's equity.

Transactions between group companies have been eliminated in the consolidated financial statement. The consolidated financial statement has been prepared in accordance with the same accounting principles for both parent and subsidiary.

The purchase method is applied when accounting for business combinations. Companies which have been bought or sold during the year are included in the consolidated financial statements from the date when control is achieved and until the date when control ceases.

##### *Balance sheet valuation and classification*

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

##### *Property, plant and equipment*

Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flow from the asset is used.

##### *Goodwill*

Goodwill on acquisitions is valued at cost. This constitutes the part of the total purchase cost that exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities. After the initial capitalization, goodwill is valued at cost less any accumulated depreciation and impairment losses. Capitalized goodwill is tested for impairment and is reviewed against the recoverable amount for indicators of impairment that is not deemed to be temporary in nature.

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## HydraWell Holding AS – Consolidated financial statements

### *Research and development*

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs is amortized linearly over its useful life. Research costs are expensed as incurred.

### *Accounts receivable and other receivables*

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

### *Foreign currency translation*

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

### *Revenues*

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred. For equipment used in well, the risk and return are considered transferred when the equipment is put to use by the client. Service income is recognized when the service is rendered. The proportion of sales revenues related to future services is recorded as unearned revenue when sold, and recognized as income when the service is rendered.

### *Inventories*

Inventories are recognised at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location. Write-downs are carried out for foreseeable obsolescence.

### *Income tax*

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as the tax effect of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

### *Cash flow statement*

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

### *Use of estimates*

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

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HydraWell Holding AS - Notes to the consolidated financial statements

Note 2 - Sales revenue

Geographical distribution:	2023	2022
Norwegian continental shelf	17 355 113	45 625 199
British continental shelf	39 604 682	39 962 036
Malaysia	7 181 887	157 355
North America	95 480 498	12 114 675
Denmark	35 662 089	10 344 603
Other	49 796 592	35 032 960
<b>Total</b>	<b>204 480 281</b>	<b>143 236 828</b>

Note 3 - Wage costs, number of employees, remuneration, loans to employees, auditor's fee etc.

	2023	2022
Wages and salaries	78 044 081	41 106 267
Payroll tax	3 604 850	5 112 740
Pension costs	2 870 915	2 199 255
Other payments	6 031 719	548 309
<b>Total</b>	<b>90 551 565</b>	<b>48 966 571</b>

Number of employees  
The average number of employees

76 41

The group is required to have pension arrangement for all Norwegian employees ("fønøstepensjonordning etter lov om obligatorisk fønøstepensjon"). The group pension arrangements (defined contribution plans) fulfil the requirements of the law.

Management remuneration

The board member Odd Engelsgjerd is employed in the subsidiary Hydra Well Intervention AS. Mark Serheim was general manager.

	Salary	Pensions cost	Other	Total
Odd Engelsgjerd	156 534	6 216	61 840	224 590
Mark Serheim	2 375 251	88 620	20 812	2 484 683

Auditor's fee

	2023	2022
Statutory audit fee	1 216 891	501 360
Other services	1 432 242	296 657
Tax consulting fee	-	-

VAT is not included in the fees specified above and is fee to the group's statutory auditor Ernst & Young AS and reported audit amount for UK entities.

Note 4 - Tangible assets

	Machinery and plant	Fixtures and fittings, tools, office machinery etc.	Total
Acquisition cost per 01.01	43 220 294	20 573 545	63 793 840
Fx translation	-1 389 487	910 300	-2 299 787
Additions for the year	28 564 325	1 571 561	30 135 886
Disposals for the year	-4 674 989	-884 130	-5 759 118
Acquisitions per 31.12	65 520 163	20 350 677	85 870 840
Accumulated depreciation per 31.12	34 664 527	11 014 720	45 679 247
Accumulated impairment per 31.12	-	1 308 966	1 308 966
<b>Net carrying value per 31.12</b>	<b>30 915 637</b>	<b>8 026 991</b>	<b>38 942 627</b>
Depreciation for the year	5 118 711	1 817 801	6 934 512
Impairment loss for the year	-	1 308 966	1 308 966
Useful economic life	3-5 years	3-5 years	
Depreciation method	Linear	Linear	

Included in machinery and equipment assets in construction amounting to MNOK 15,3 at the balance sheet date has been included in current year additions. The asset will be approved for use during first half of 2024 and total cost is expected to be approx MNOK 15,8.

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HydraWell Holding AS - Notes to the consolidated financial statements

## Note 5 - Intangible assets

	Goodwill	Patented technology	Software	Total
Acquisition cost per 01.01	387 337 068	425 683 333	6 610 666	819 631 067
Additions for the year			6 702 270	6 702 270
Acquisition cost per 31.12	387 337 068	425 683 333	13 312 936	826 533 337
Accumulated impairment loss per 31.12		7 683 333	3 065 282	10 948 615
Accumulated amortization per 31.12	296 151 704	320 466 667	687 568	617 505 939
Transition differences	4 252 440		515 094	4 767 524
Net carrying value per 31.12	96 437 804	97 533 333	9 675 169	202 946 306
Amortization for the year	37 135 899	41 600 000	687 568	79 823 467
Useful economic life	10 years	10 years		
Amortization plan	Linear	Linear		

Goodwill and patented technology are amortized over 10 years considering that the company's proprietary technology is protected by long-run patents.

Management assessed that there is no need for impairment of the goodwill and patented technology at the balance sheet date.

## Note 6 - Finance income and expenses

Other finance income		2023	2022
Currency gain		19 471 556	11 953 302
Other finance income		3 748 830	55 623
Total		23 220 386	11 956 324
Other finance expense			
Currency loss		2 900 686	1 071 730
Other finance expense		529 066	37 416
Total		3 429 752	1 109 146

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## HydraWell Holding AS - Notes to the consolidated financial statements

### Note 7 - Income taxes

	2023	2022
<b>Income tax expenses</b>		
Tax payable	1 616 240	3 166 852
Change in deferred tax	-9 209 171	-8 544 248
Withholding tax	7 717 851	1 701 272
Price year adjustments	-43 161	-
<b>Total income tax expense</b>	<b>83 799</b>	<b>-3 676 124</b>
Tax expense relating to Norway	-6 437 533	-5 228 766
Tax expense relating to operations outside of Norway	6 521 292	1 552 642
<b>Calculation of tax basis</b>		
	2023	2022
Ordinary result before tax	-70 852 124	-40 590 977
Permanent differences	40 307 948	19 244 932
Change in temporary differences	51 820 321	39 486 918
Change in losses carried forward	-4 713 775	-4 167 757
<b>Tax basis</b>	<b>16 562 368</b>	<b>53 953 114</b>
Tax payable for the year	3 602 165	3 148 110
Withholding tax	910 715	-
Prepayments and currency	-4 295 991	-279 640
<b>Tax payable in balance sheet</b>	<b>216 889</b>	<b>2 868 470</b>
<b>Temporary differences per 31.12</b>		
	2023	2022
Fixed assets	81 656 348	87 749 894
Long term receivables in a foreign currency	-13 258 678	7 752 941
Inventory	-720 534	-620 534
<b>Total</b>	<b>47 677 134</b>	<b>94 882 061</b>
Losses carried forward	121 002 322	97 741 492
<b>Net temporary differences per 31.12</b>	<b>-73 325 188</b>	<b>-2 859 491</b>
Deferred tax liability (asset)	-10 189 950	-3 674 947
Deferred tax assets not recognized	-35 961 784	-33 443 591
Deferred tax liability (asset)	25 771 834	29 768 644
Tax losses carried forward relates to USA and UK. There are no deferred tax assets recognized in the group.		
<b>Explanation as to why the current year's tax expense is not 22% of the profit before tax:</b>		
Result before tax	-70 852 124	-40 590 977
22 % tax on ordinary result before tax	-15 340 473	-8 930 015
Permanent differences (22 %)	8 958 911	4 233 886
Price year adjustments	-3 378 403	-
Change in deferred tax assets not recognized	1 910 635	-865 951
Withholding tax	7 717 851	1 701 272
Different tax rates	215 237	184 685
<b>Calculated income tax expense</b>	<b>83 798</b>	<b>-3 676 124</b>

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HydraWell Holding AS - Notes to the consolidated financial statements

**Note 8 - Cash and cash equivalents**

	2023	2022
Restricted cash related to withholding tax per 31 December 2023	1 215 575	1 151 746

**Note 9 - Share capital and shareholder information**

The share capital in the parent company consists of 107 445 shares with par value NOK 1, resulting in a total share capital of NOK 107 445. There is only one class of shares.

Parent company's shareholders are:

Shareholder name	Number of shares	Ownership share	Voting Share
Norvestor VII LP	47 353	44,07 %	44,07 %
Norvestor VII OS L.P	14 979	13,94 %	13,94 %
Erno Invest AS	10 030	9,34 %	9,34 %
RR Invest Holding AS	9 905	9,22 %	9,22 %
Tananger Investering AS	4 952	4,61 %	4,61 %
Forsmagas Invest AS	4 952	4,61 %	4,61 %
Semset Invest AS	2 476	2,30 %	2,30 %
Paies Holding AS	2 476	2,30 %	2,30 %
Ages Consulting AS	2 476	2,30 %	2,30 %
MG Southhome AS	1 697	1,58 %	1,58 %
Wellwork Innovation AS	1 238	1,15 %	1,15 %
Ors Invest AS	990	0,92 %	0,92 %
Marmosa Invest AS	990	0,92 %	0,92 %
Andre	2 933	2,73 %	2,73 %
<b>Totalt</b>	<b>107 445</b>	<b>100,00 %</b>	<b>100,00 %</b>

The following board members have ownership shares and rights through private holding companies:

	Company	Number of shares	Ownership share	Voting share
Odd Engelsjørd	Erno Invest AS	10 030	9,34 %	9,34 %
Odd Engelsjørd (Styrets leder)	Tananger Investering AS	4 952	4,61 %	4,61 %

**Note 10- Equity**

	Share capital	Treasury shares	Share premium reserve	Total equity
Equity per 01.01.	107 445	35	152 278 436	152 385 846
Loss for the year			-70 935 883	-70 935 883
Currency translation			-9 707 859	-9 707 859
<b>Equity per 31.12.</b>	<b>107 445</b>	<b>-35</b>	<b>71 634 696</b>	<b>71 742 106</b>

There is a minority interest in HydraWell USA Inc. However, this is a dormant company and there is no value on the minority interest.

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## HydraWell Holding AS - Notes to the consolidated financial statements

### Note 11 - Interest bearing debt

Book value of long term debt per 31. December is specified as follows:

	2023	2022
<b>Long term interest bearing debt</b>		
Bank loan Sparebank 1 SR-Bank	90 000 000	97 500 000
Lease commitment Sparebank 1 SR-Bank	15 295 649	-
Other long term debt	356 981	480 795
<b>Total</b>	<b>105 622 610</b>	<b>97 980 795</b>
<b>Short term interest bearing debt</b>		
Credit facility Sparebank 1 SR-Bank	85 211 904	39 415 678
Shareholder loan	5 103 014	-
<b>Total</b>	<b>90 314 918</b>	<b>39 415 678</b>

Following the merger with READ the bank debt of the group was refinanced. The long term loan with Sparebanken Vest and external bank debt in READ was refinanced with Sparebank 1 SR-Bank.

The new loan agreement entered in September 2022 consist of long term debt of 100 MNOK and a revolving credit facility of 85 MNOK. The long term debt consists of two tranches of 50 MNOK each. Tranche 1 is a series loan that will be repaid over five years with quarterly principal payments starting in December 2022. Tranche 2 is a bullet loan that will be repaid in full after 5 years. The loan are subject to financial covenants on a group level related to EBITDA and equity ratio. The group did not comply with the covenants at the balance sheet date, but has received a waiver from the bank.

The group has entered into an agreement with Sparebank 1 SR-Bank to finance the construction of equipment. At the balance sheet date the asset is in construction. During the construction period interests are paid on the loan. The regular lease agreement will commence when the equipment has been finalized which is expected in the first half of 2024.

A short term loan has been issued by the main shareholder. The loan will be repaid in 2024.

The bank loans are secured with pledges in shares in all Norwegian subsidiaries and in all significant assets in the Norwegian subsidiaries. The net book value of pledged assets in the group can be summarized as follows:

Assets used as collateral — book values:	2023	2022
Fixtures and fittings, tools, office machinery etc.	7 597 141	9 386 981
Machinery and plant	1 379 048	2 588 514
Inventory	10 291 685	8 821 451
Trade receivables	14 500 701	7 367 203
<b>Total assets used as collateral</b>	<b>33 768 575</b>	<b>28 264 129</b>

### Note 12 - Related parties

The group purchased consulting services worth NOK 2 177 089 from Wellwork Innovation AS in 2023. Wellwork Innovation owns 1,15% of the shares in HydraWell Holding AS.

### Note 13- Consolidated entities

Entity / business office	Location	Share ownership	Voting rights
<b>Subsidiaries:</b>			
Hydra Well Intervention AS	Tansanger	100 %	100 %
READ CH Ltd	Scotland	100 %	100 %
ANSA Data Analytics	Scotland	100 %	100 %
<b>Subsidiaries held through subsidiaries:</b>			
Hydra Systems AS	Tansanger	100 %	100 %
HydraWell UK Ltd	Scotland	100 %	100 %
HydraWell USA Inc (dormant)	USA	77 %	77 %
READ CH Inc USA	USA	100 %	100 %

### Note 14- Commitments under operating leases

The group has entered into lease agreements for office premises and warehouses that are accounted for as operating leases. At 31 December the group had the following future minimum lease payments due under non-cancellable operating leases:

Minimum lease payments	2023	2022
One year	8 520 088	8 374 438
Two-five years	12 080 724	13 466 879
More than five years	3 382 025	5 295 937
<b>Total</b>	<b>21 942 817</b>	<b>26 137 252</b>

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## HydraWell Holding AS - Financial statements

### Income statement

REVENUE AND OPERATING EXPENSES	Notes	2023	2022
Operating Revenue			
Other operating income		607 205	-
<b>Total Operating Revenue</b>		<b>607 205</b>	<b>-</b>
Operating expenses			
Lønnskostnad	2	4 038 450	
Other operating expenses	2	3 819 308	3 451 609
<b>Total operating expenses</b>		<b>7 857 758</b>	<b>3 451 609</b>
<b>OPERATING RESULT</b>		<b>-7 250 553</b>	<b>-3 451 609</b>
<b>FINANCIAL ITEMS</b>			
Finance income			
Interest income from group companies		10 764 111	1 385 064
Income from investments in subsidiaries			760 010
Other financial income		20 137 194	1 401 898
<b>Total finance income</b>		<b>30 901 305</b>	<b>3 546 972</b>
Financial expenses			
Impairment of financial assets		7 739 143	-
Interest expenses			-
Interest expenses from group companies			-
Other financial expenses		11 278 568	2 632 685
<b>Total financial expenses</b>		<b>19 017 711</b>	<b>2 632 685</b>
<b>NET FINANCIAL ITEMS</b>		<b>11 883 594</b>	<b>914 287</b>
<b>ORDINARY RESULT BEFORE TAX</b>		<b>4 633 041</b>	<b>-2 537 322</b>
Tax on ordinary result	3	2 125 214	0
<b>ORDINARY RESULT</b>		<b>2 507 827</b>	<b>-2 537 322</b>
<b>NET PROFIT OR LOSS FOR THE YEAR</b>		<b>2 507 827</b>	<b>-2 537 322</b>
<b>Allocated as follows</b>			
Transferred to other equity	4	2 507 827	-2 537 322
<b>Total allocations</b>		<b>2 507 827</b>	<b>-2 537 322</b>

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## HydraWell Holding AS - Financial statements

### Balance sheet as of December 31

ASSETS	Notes	2023	2022
<b>NON-CURRENT ASSETS</b>			
<b>Financial assets</b>			
Investments in subsidiaries	5	357 513 098	368 109 054
Loan to entities in the same group	6	198 583 315	179 310 010
<b>Total financial assets</b>		<b>558 096 413</b>	<b>547 419 064</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>558 096 413</b>	<b>547 419 064</b>
<b>CURRENT ASSETS</b>			
<b>Receivables</b>			
Other receivables from group companies	6	25 000 164	2 352 691
Other receivables		339 531	36 241
<b>Total receivables</b>		<b>25 339 695</b>	<b>2 388 932</b>
Cash and cash equivalents	7	156 000	3 135
<b>TOTAL CURRENT ASSETS</b>		<b>25 495 695</b>	<b>2 402 066</b>
<b>TOTAL ASSETS</b>		<b>581 592 108</b>	<b>549 821 130</b>

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## HydraWell Holding AS - Financial statements

Balance sheet as of December 31

<b>EQUITY AND LIABILITIES</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>EQUITY</b>			
Paid-in capital			
Share capital	4, 8	107 445	107 445
Treasury shares	4	-35	-35
Share premium	4	401 072 812	398 601 696
<b>Total paid-in capital</b>		<b>401 180 222</b>	<b>398 709 106</b>
<b>TOTAL EQUITY</b>		<b>401 180 222</b>	<b>398 709 106</b>
<b>LIABILITIES</b>			
Provisions			
Deferred tax liability	3	4 810 428	-
<b>LONG TERM LIABILITIES</b>			
Liabilities to financial institutions	9	90 000 000	97 500 000
<b>TOTAL LONG TERM LIABILITIES</b>		<b>90 000 000</b>	<b>97 500 000</b>
<b>SHORT TERM LIABILITIES</b>			
Liabilities to financial institutions	9	65 211 905	39 415 678
Other long term liabilities		5 103 014	
Trade payables		150 979	3 604 213
Public duties payable	7	219 450	-
Other short term liabilities to group companies	6	11 965 546	9 231 768
Other short term liabilities		2 950 564	1 360 364
<b>TOTAL SHORT TERM LIABILITIES</b>		<b>85 601 458</b>	<b>53 612 024</b>
<b>TOTAL LIABILITIES</b>		<b>180 411 688</b>	<b>151 112 024</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>581 592 108</b>	<b>549 821 130</b>

Tananger, 19. June 2024

Per-Ola Baalerud  
Chairman of the Board

Odd Engelsgjerd  
Member of the Board

Shona Macfarlane Grant  
Member of the Board

Christopher Teasdale  
Member of the Board

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## HydraWell Holding AS - Financial statements

### Cash flow statement

<b>Cash flow from operating activities</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
Profit/(loss) before tax		4 633 040	-2 537 322
Change in receivables		-	-
Change in trade payables		-3 453 234	19 732
Changes in other current balance sheet items		6 602 245	663 288
<b>Net cash flow from operating activities</b>		<b>7 782 051</b>	<b>-1 854 302</b>
<b>Cash flow from investing activities</b>			
Net cash proceed from merger		-	-
Loan to group companies		-19 273 305	-84 088 642
<b>Net cash flow from investing activities</b>		<b>-19 273 305</b>	<b>-84 088 642</b>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings		7 500 000	100 000 000
Repayment of borrowings		-5 103 014	-58 331 548
Changes in short term debt to financial institutions		14 077 818	39 415 678
Proceeds from share subscriptions	7	-4 830 685	4 816 430
<b>Net cash flow from financing activities</b>		<b>11 644 119</b>	<b>85 900 560</b>
Net change in cash and cash equivalents		152 865	-42 384
Cash and cash equivalents at 01.01.		3 135	45 519
<b>Cash and cash equivalents at 31.12.</b>		<b>156 000</b>	<b>3 135</b>

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## HydraWell Holding AS - Notes to the financial statements

### Note 1

#### Accounting principles

##### General

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The company is the parent company of the group and prepares consolidated annual accounts.

##### Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

##### Balance sheet valuation and classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

##### Subsidiaries and investment in associate

Subsidiaries and investments in associates are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present.

Dividends and other distributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.

##### Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts.

##### Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

##### Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments.

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HydraWell Holding AS - Notes to the financial statements

**Nota 2 - Wage costs, number of employees, remuneration, loans to employees, auditor's fee etc.**

	2023	2022
<b>Wage costs</b>		
Salaries	450 000	450 000
Payroll tax	63 450	63 450
Other payments	3 525 000	-
<b>Total payroll expenses</b>	<b>4 038 450</b>	<b>513 450</b>

The total number of employees in the company during the year: 0

The company does not have any employees and are therefore the law of mandatory pension arrangements is not applicable

The general manager received a salary from the subsidiary Hydra Well Intervention AS.

	2023	2022
<b>Auditor's fee</b>		
Statutory audit fee	394 362	148 400
Other services	1 163 657	71 000
<b>Total</b>	<b>1 558 019</b>	<b>219 400</b>

VAT is not included in the fees specified above

**Management remuneration**

Remuneration to the board of directors was NOK 600 000 in 2023

**Nota 3 - Income taxes**

	2023	2022
<b>Income tax expenses</b>		
Tax payable	-	-
Change in deferred tax	4 810 428	-
Too much/waste allocated in previous year(s)	303 388	-
Change in deferred tax group contribution prior years	-2 988 603	-
<b>Total income tax expense</b>	<b>2 125 214</b>	<b>-</b>

	2023	2022
<b>Calculation of tax basis</b>		
Ordinary result before tax	4 633 040	2 537 322
Permanent differences	-4 091 164	6 347 552
Write-down on shares and other security expensed this year	7 739 143	-
Changes in temporary differences	-28 772 139	-
<b>General income</b>	<b>-26 491 117</b>	<b>3 810 230</b>
Recovered group contribution	13 584 558	760 010
<b>Utilization of losses carried forward</b>	<b>6 906 558</b>	<b>4 570 240</b>
<b>Basis for taxes payable</b>	<b>-</b>	<b>0</b>

	2023	2022
<b>Temporary differences and tax loss carry forward</b>		
Losses carried forward 1.1	6 906 558	-
Losses from mergers	-	4 579 240
<b>Utilization of loss carry forward</b>	<b>-</b>	<b>4 579 240</b>
Net temporary differences per 31.12	6 906 558	-
Long term receivables in foreign currency	-28 772 139	-
<b>Total</b>	<b>-21 865 581</b>	<b>-</b>

	2023	2022
Deferred tax (liability) (asset)	-4 810 428	-
<b>Reconciliation of expected tax rate</b>		
Result before tax	4 633 040	2 537 322
Calculated tax at 22%	1 019 269	558 211
Tax on permanent differences and changes in prior years losses	1 106 945	1 396 461
Tax impact from group contribution	-	107 292
Tax impact for losses carried forward acquired in mergers, not previously recognized	-	-1 006 493
<b>Total income tax</b>	<b>2 125 214</b>	<b>0</b>

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HydraWell Holding AS - Notes to the financial statements

Nota 4 - Equity

	Share capital	Treasury shares	Share premium reserve	Other equity	Total equity
Equity per 01.01.2023	107 445	-38	386 001 696	-	386 709 106
Result for the year			2 507 827		2 507 827
Other changes			-36 718		-36 718
Equity per 31.12.2023	107 445	-38	401 072 813	-	401 186 223

Nota 5 - Subsidiaries

Company / Location	Location	Share ownership	Voting rights
<b>Subsidiaries:</b>			
Hydra Well Intervention AS	Tananger	100 %	100 %
READ CH Ltd	Scotland	100 %	100 %
ANSA Data Analytics	Scotland	100 %	100 %
<b>Subsidiaries held through subsidiaries:</b>			
Hydra Systems AS	Tananger	100 %	100 %
HydraWell UK Ltd	Scotland	100 %	100 %
Hydrawell USA Inc.	USA	77 %	77 %
READ CH Inc USA	USA	100 %	100 %

Nota 6 Intercompany balances with group companies

Loans with group companies	2023	2022
Hydra Well Intervention AS	77 507 882	77 507 882
READ CH Ltd	117 568 122	98 722 851
ANSA Data Analytics	3 817 310	3 029 277
<b>Total</b>	<b>198 893 314</b>	<b>179 259 910</b>
<b>Other receivables from companies in the same group</b>		
Hydra Well Intervention AS	Group contribution 10 727 011	-
Hydra Systems AS	Group contribution 2 857 548	769 010
Hydra Systems AS	Cash pool 0	1 002 581
Hydrawell Intervention AS	Cash pool 11 415 695	-
<b>Total</b>	<b>25 000 254</b>	<b>2 781 591</b>
<b>Other short term liabilities to group companies</b>		
Hydra Well Intervention AS	5 585 500	9 231 758
Hydra Systems AS	6 370 046	-
<b>Total</b>	<b>11 955 546</b>	<b>9 231 758</b>

Interest income of NOK 10 704 111 has been recognized on loans to group companies in 2023

Nota 7 - Cash and cash equivalents

	2023
Restricted cash for employee withholding tax as of 31.12	156 000

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## HydraWell Holding AS - Notes to the Financial statements

### Nota 8 - Share capital and shareholder information

The share capital in the parent company consists of 107 445 shares with par value NOK 1, resulting in a total share capital of NOK 107 445. There is only one class of shares.

The company's shareholders are:

Shareholder name	Number of shares	Ownership share	Voting Share
Norvestor VII L.P	47 353	44.1 %	44.1 %
Norvestor VII OS L.P	14 979	13.9 %	13.9 %
Emo Invest AS	10 030	9.3 %	9.3 %
RR Invest Holding AS	9 905	9.2 %	9.2 %
Tananger Investing AS	4 952	4.6 %	4.6 %
Forsnagna Invest AS	4 952	4.6 %	4.6 %
Siemet Invest AS	2 476	2.3 %	2.3 %
Piano Holdings AS	2 476	2.3 %	2.3 %
Agos Consulting AS	2 476	2.3 %	2.3 %
MG Souffrine AS	1 621	1.5 %	1.5 %
Wolfwork Innovation AS	1 236	1.2 %	1.2 %
Ors Invest AS	990	0.9 %	0.9 %
Mamma Invest AS	990	0.9 %	0.9 %
Jundre	2 933	2.7 %	2.7 %
<b>Total</b>	<b>107 445</b>	<b>100 %</b>	<b>100 %</b>

The following board members has ownership shares and rights through private holding companies:

	Company	Number of shares	Ownership share	Voting share
Odd Engelsjønd	Emo Invest AS	10 030	9.3 %	9.3 %
Odd Engelsjønd (Stryets leder)	Tananger Investing AS	4 952	4.6 %	4.6 %

### Nota 9 - Interest bearing debt

Book value of long term debt per 31. December is specified as follows:

	2023	2022
<b>Long term interest bearing debt</b>		
Bank loan Sparebank 1 SR-Bank	90 000 000	97 500 000
<b>Total interest bearing debt per 31.12</b>	<b>90 000 000</b>	<b>97 500 000</b>
<b>Short term interest bearing debt</b>		
Credit facility Sparebank 1 SR-Bank	62 211 905	47 049 580
Credit facility Norvestor	5 103 014	
<b>Total interest bearing debt per 31.12</b>	<b>75 314 919</b>	<b>47 049 580</b>

Following the merger with READ the bank debt of the group was refinanced with HydraWell Holding AS as borrower and Sparebank 1 SR-Bank as lender. The new loan agreement entered in September 2022 consist of long term debt of 100 MNOK, and a revolving credit facility of 60 MNOK. The long term debt consists of two tranches of 50 MNOK each. Tranche 1 is a series loan that will be repaid over five years with quarterly principal payments starting in December 2022. Tranche 2 is a bullet loan that will be repaid in full after 5 years. The loan are subject to financial covenants on a group level related to EBITDA and equity ratio. The group did not comply with the covenants at the balance sheet date, but has received a waiver from the bank.

The bank loans are secured with pledges in shares in all norwegian subsidiaries and in all significant assets in the Norwegian subsidiaries

### Nota 10 - Commitments

HydraWell Holding AS has given a lease guarantee in favour of Viking Assets Limited where HydraWell Holding AS is the guarantor for READ Casco Hale Ltd payment of rent related to Viking House in Aberdeen. The guarantee was agreed in May 2023 and is valid until 14 May 2030.

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