Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	998 726 441
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	LIME PETROLEUM AS
Forretningsadresse:	Drammensveien 145 A 0277 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Kari Loe Nystog
Dato for fastsettelse av årsregnskapet:	11.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert

År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 20.06.2024

Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenues from crude oil and gas sales	4	947 527 000	
Other operating income / loss (-)	12	-1 221 000	160 684 000
Sum inntekter		**946 306 000**	**160 684 000**
Kostnader			
Production expenses	5	455 409 000	
Change in over-/underlift position	5	-18 746 000	
Exploration expenses	6	31 154 000	29 928 000
Payroll and related cost	7	36 121 000	35 843 000
Depreciation and amortisation	13,14	180 028 000	1 570 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	11	232 156 000	8 745 000
Other operating expenses	8	44 046 000	13 078 000
Sum kostnader		**960 168 000**	**89 164 000**
Driftsresultat		**-13 862 000**	**71 520 000**
Finansinntekter og finanskostnader			
Finance income		21 490 000	427 000
Sum finansinntekter		**21 490 000**	**427 000**
Finance costs		155 008 000	34 068 000
Sum finanskostnader		**155 008 000**	**34 068 000**
Netto finans	9	**-133 518 000**	**-33 641 000**
Ordinært resultat før skattekostnad		**-147 380 000**	**37 879 000**
Taxes (-) / tax income (+)	10	-66 876 000	-81 785 000
Ordinært resultat etter skattekostnad		**-80 504 000**	**119 664 000**
Årsresultat		**-80 504 000**	**119 664 000**

Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Exploration and evaluation assets	11	240 360 000	355 010 000
Goodwill	11	313 486 000	
Sum immaterielle eiendeler		**553 846 000**	**355 010 000**
Varige driftsmidler			
Oil and gas properties	12,13	1 518 202 000	727 670 000
Property, plant and equipment	13	775 000	661 000
Right-of-use assets	14	7 282 000	2 256 000
Sum varige driftsmidler		**1 526 259 000**	**730 587 000**
Finansielle anleggsmidler			
Non-current receivables	15	1 331 363 000	1 473 184 000
Sum finansielle anleggsmidler		**1 331 363 000**	**1 473 184 000**
Sum anleggsmidler		**3 411 468 000**	**2 558 781 000**
Omløpsmidler			
Varer			
Spareparts, equipment and inventory		134 918 000	104 539 000
Sum varer		**134 918 000**	**104 539 000**
Fordringer			
Prepayments and other receivables	16	257 234 000	51 623 000
Tax refund receivable	10	556 235 000	355 488 000
Other financial asset - restricted cash	17	87 500 000	84 500 000
Sum fordringer		**900 969 000**	**491 611 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	17	405 898 000	146 262 000
Sum bankinnskudd, kontanter og lignende		**405 898 000**	**146 262 000**
Sum omløpsmidler		**1 441 785 000**	**742 412 000**

Balanse

Beløp i: NOK	Note	2022	2021
SUM EIENDELER		**4 853 253 000**	**3 301 193 000**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital			
Innskutt egenkapital			
Share capital	18	216 900 000	130 320 000
Annen innskutt egenkapital		125 471 000	12 052 000
Sum innskutt egenkapital		**342 371 000**	**142 372 000**
Opptjent egenkapital			
Capital increase pending registration			200 000 000
Retained earnings		25 145 000	105 650 000
Sum opptjent egenkapital		**25 145 000**	**305 650 000**
Sum egenkapital		**367 516 000**	**448 022 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	10	657 109 000	359 777 000
Asset retirement obligations	19	1 790 703 000	1 674 828 000
Leasing liabilities	14	5 396 000	969 000
Sum avsetninger for forpliktelser		**2 453 208 000**	**2 035 574 000**
Annen langsiktig gjeld			
Obligasjonslån	20	766 178 000	415 077 000
Langsiktig konserngjeld	20	152 111 000	93 412 000
Sum annen langsiktig gjeld		**918 289 000**	**508 489 000**
Sum langsiktig gjeld		**3 371 497 000**	**2 544 063 000**
Kortsiktig gjeld			
Leverandørgjeld	21	43 713 000	24 652 000
Other current liabilities	22	933 369 000	209 456 000
Interest-bearing loans and borrowings	20	137 156 000	75 000 000
Sum kortsiktig gjeld		**1 114 238 000**	**309 108 000**
Sum gjeld		**4 485 735 000**	**2 853 171 000**

Balanse

Beløp i: NOK	Note	2022	2021
SUM EGENKAPITAL OG GJELD		**4 853 251 000**	**3 301 193 000**

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	24.06.2013	25.06.2013
Telefon	Deres referanse	Vår referanse
22078139	Knut Åke Lennart Knutsson	2013/500057

LIME PETROLEUM NORWAY AS
Drammensveien 145 A
0277 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Lime Petroleum Norway AS, org. nr. 998 726 441

Det vises til deres brev mottatt 25. juni 2013 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Lime Petroleum Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Lime Petroleum Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn
Lime Petroleum Norway AS er datterselskap til det britiske selskapet Lime Petroleum Plc. Lime Petroleum Norway AS er et nystartet olje- og gass selskap. Selskapets hovedaktivitet er å delta i leting etter, samt utbygging og produksjon av olje og naturgass. Dette er en internasjonal bransje og alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Selskapet har engelsk som arbeidsspråk. 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*

Postadresse
Postboks 9200 Grønland
0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60

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 særlig vekt på at selskapet er eiet av et utenlandsk selskap. Eierkretsen er således begrenset. Selskapets arbeidsspråk er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

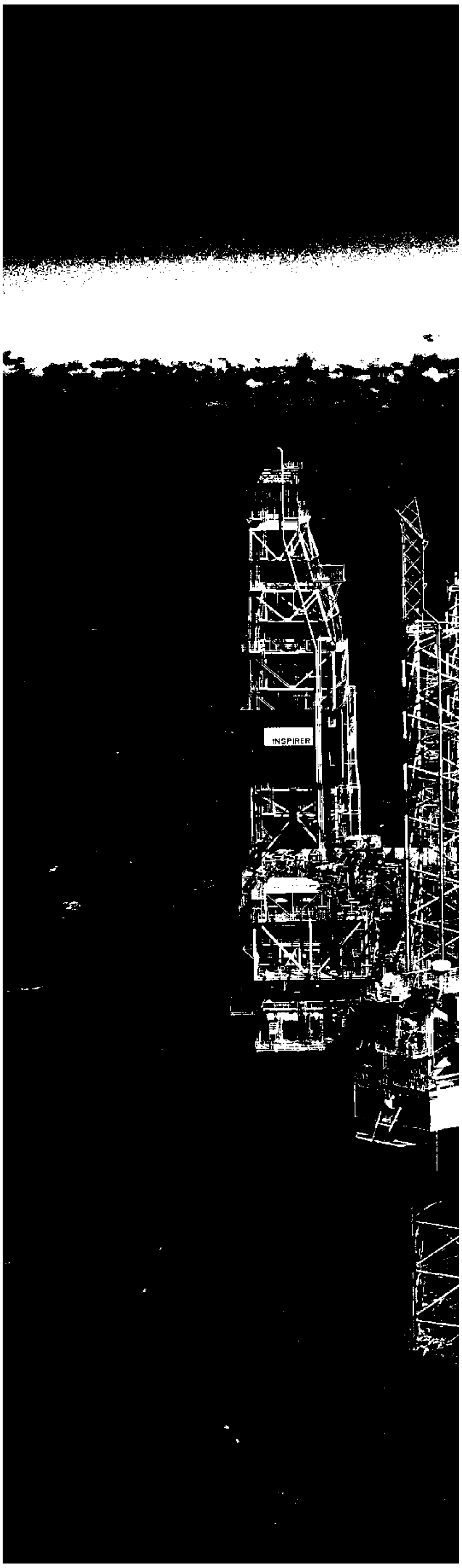
Med hilsen

Rune Tystad

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Torstein Kinden Helleland



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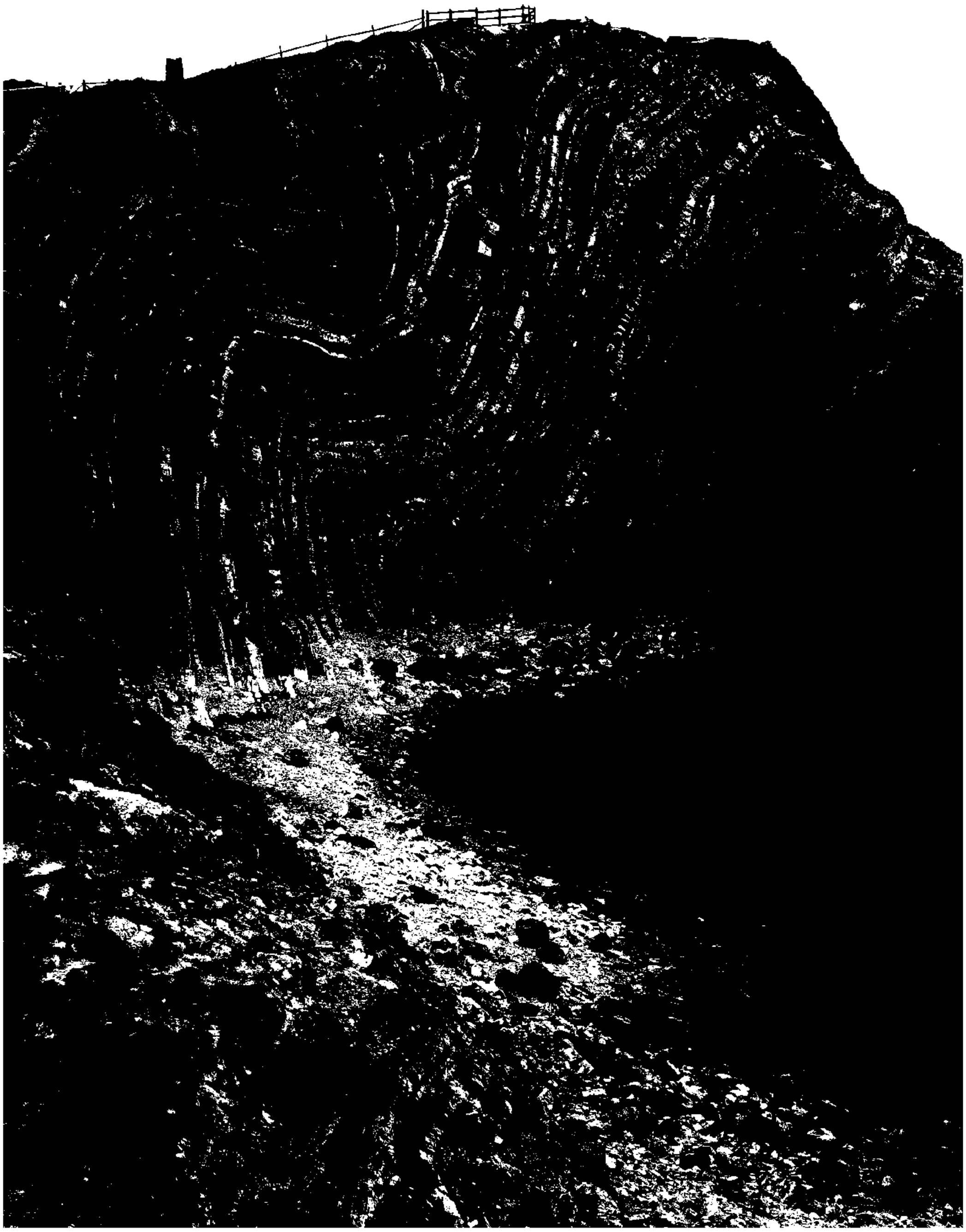

Lulworth Cove, England Photo: Karsten Eig

2022

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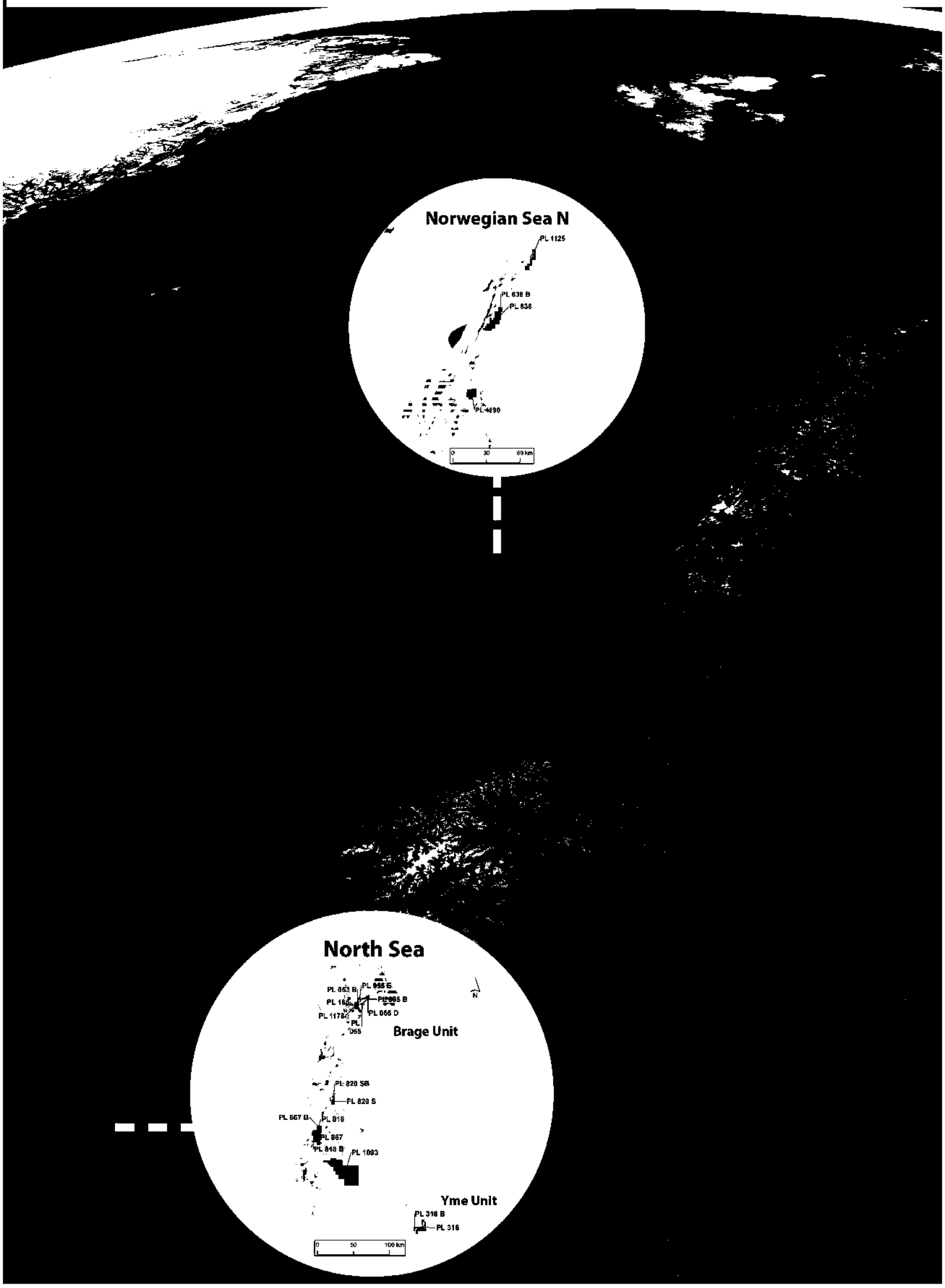
Front page: Yme. Credit: Bitmap Repsol Norway AS


Norwegian Sea N
PL 1125
0 30 60 km
North Sea
PL 1178
PL 055 D
Brage Unit
PL 820 SB
PL 820 S
PL 867 B
PL 818
PL 867
PL 1093
Yme Unit
PL 316 B
PL 316
0 50 100 km
N

Licence Portfolio Information

Licence	Location	Lime stake	Operator	Other Partners	Expiry date
	North Sea				
PL 053 B	Bjørgvin Arch	33,84%	OKEA ASA	DNO Norge AS, Vår Energy ASA, M Vest Energy AS	06/04/2030
PL 055	Bjørgvin Arch	33,84%	OKEA ASA	DNO Norge AS, Vår Energy ASA, M Vest Energy AS	06/04/2030
PL 055 B	Bjørgvin Arch	33,84%	OKEA ASA	DNO Norge AS, Vår Energy ASA, M Vest Energy AS	06/04/2030
PL 055 D	Bjørgvin Arch	33,84%	OKEA ASA	DNO Norge AS, Vår Energy ASA, M Vest Energy AS	06/04/2030
PL 055 E	Bjørgvin Arch	33,84%	OKEA ASA	DNO Norge AS, Vår Energy ASA, M Vest Energy AS	06/04/2030
PL 185	Bjørgvin Arch	33,84%	OKEA ASA	DNO Norge AS, Vår Energy ASA, M Vest Energy AS	06/04/2030
PL 316	Egersund Pool	10,00%	Repsol Norge AS	LOTOS Exploration and Production Norge AS, OKEA ASA	18/06/2030
PL 316 B	Egersund Pool	10,00%	Repsol Norge AS	LOTOS Exploration and Production Norge AS, OKEA ASA	18/06/2030
PL 818	Gudrun Terrace	30,00%	Aker BP ASA	Equinor Energy ASA	05/02/2026
PL 818 B	Gudrun Terrace	30,00%	Aker BP ASA	Equinor Energy ASA	05/02/2026
PL 820 S	Northern Utsira Height	30,00%	Vår Energi ASA	Aker BP ASA, Pandion Energy AS, Wintershall Dea Norge AS	05/02/2024
PL 820 SB	Northern Utsira Height	30,00%	Vår Energi ASA	Aker BP ASA, Pandion Energy AS, Wintershall Dea Norge AS	05/02/2024
PL 867	Gudrun Terrace	20,00%	Aker BP ASA		10/02/2027
PL 867 B	Gudrun Terrace	20,00%	Aker BP ASA		10/02/2027
PL 1093	Utsira High	20,00%	Harbour Energy Norge AS	Petoro AS	19/02/2028
PL 1178 (2)	Oseberg Fault	50,00%	OKEA ASA		17/02/2030
	Norwegian Sea				
PL 838	Nordland Ridge	30,00%	Aker BP ASA	PGNiG Upstream Norway AS	05/08/2023
PL 838 B	Nordland Ridge	30,00%	PGNiG Upstream Norway AS	Aker BP ASA	01/03/2029
PL 1111 (1)	Frøya High	40,00%	PGNiG Upstream Norway AS		19/02/2028
PL 1125	Nordland Ridge	50,00%	OKEA ASA		19/02/2024
PL 1190 (2)	Grinda Graben	30,00%	Harbour Energy Norge AS	PGNiG Upstream Norway AS	17/02/2030

(1) PL 1111 was formally relinquished 6 March 2023
(2) APA 2022 licenses awarded 10 January 2023

Message from the CEO

There is no business as usual for Lime, we are now a company with two producing fields and a newly listed bond. And with production and listing comes new responsibilities – our see-to-duty has been greatly increased. To meet these new responsibilities, the Lime organization expanded and deepened. The size of the organization has now more than doubled and we have acquired new skillsets – particularly in the areas of HSEQ, engineering, and compliance. To effectively use the new skills, we have needed to redefine who we are and why we are here. Throughout 2022, the whole organization has been involved in defining the company. This started with identifying our vision of the future: A Net-Zero world with an abundance of energy and prosperity. Within this vision, Lime's mission is *to* ***challenge and inspire people to create new ideas so that the world will be full of energy***. This is why we are here.

With a well-defined mission, we needed a management system to ensure we can deliver. Throughout 2022 we significantly upgraded our business management system (BMS), working closely with DNV and ProActima to develop a BMS that captures Lime's way to ensure we fulfill our see-to-duties as license holder on the NCS, as well as ensuring that we create and capture the ideas that will result in new energy down the road. All of us in Lime have gone through extensive training on compliance, risk management, and regulations. Through this process, we have grown as individual employees and as an organization as a whole. We are very proud that this upgrading process has culminated in Lime recently being pre-qualified by the Ministry of Oil and Energy, as Operator on the Norwegian Continental Shelf.

Key to our way of working is creating new ideas – we have studied and proposed deploying new technology in field development projects, we have defined new exploration plays, we have actively participated in technology development, and we have sought to define new business models and relationships. Throughout 2022 we have employed our BMS and had significant wins, but also disappointments. In some cases, the disappointments are due to calculated risks, i.e. exploration risk, in other cases, they are due to a lack of alignment with partners or disagreement on interpretations. Either way, we take every opportunity to learn. We believe our wins come from having trust in each other and allowing ideas to grow, along with strong technical work, close cooperation with our partners, and a proactive attitude.

Our main achievement in 2022 has been doubling Lime's production with the Yme transaction. Other achievements in 2022 are the Iving/Evra acquisition with the distinct

The Brage Platform while approching it with a helicopter. Credit: OKEA ASA

possibility of new production in the near future; the award of new exploration lisenses – PL1178 and PL1190 in the North Sea and the Norwegian Sea respectively targeting new plays in the Cretaceous; further maturing the Iroko CCS project to position Lime firmly in the energy transition.

2023 is promising to be as exciting as 2022, with strong cash flow, highly supportive shareholders, an upgraded business management system, and most importantly knowledgeable and enthusiastic co-workers.

Lars Hübert
CEO

The Yme Field

(Lime – 10 per cent)

The Yme field is located in blocks 9/2 and 9/5 in the Egersund Basin in the south-eastern part of the North Sea, Norway. The water depth in the field area ranges from 77m to 93m.

The field reservoir contains oil (39 API gravity) in Gamma and Beta structures. The distance between the Gamma and the Beta structure is approximately 12 km. Situated at a depth of 3,150m beneath the seabed, the field's reservoir comprises the Sandnes sandstone formation of the Middle Jurassic age.

According to the Norwegian Petroleum Directorate, the remaining recoverable oil reserves of the field are estimated to be approx. 55 mmbo. Plateau production was first expected to be reached in Q4 2022 but now expected in mid-2023.

The Yme oil field on the Norwegian continental shelf was discovered in 1987. The offshore field originally brought on stream in February 1996, was in production until 2001 when it was halted due to low oil prices. At that time, the field had recovered 50 mmbo, or less than half of the technical recoverable reserves.

The Yme oil field was developed and operated by Statoil, but Talisman Energy took over operatorship in 2006. The original field development consisted of a jack-up drilling and production platform on the Gamma structure along with a storage, and a subsea template on the Beta structure.

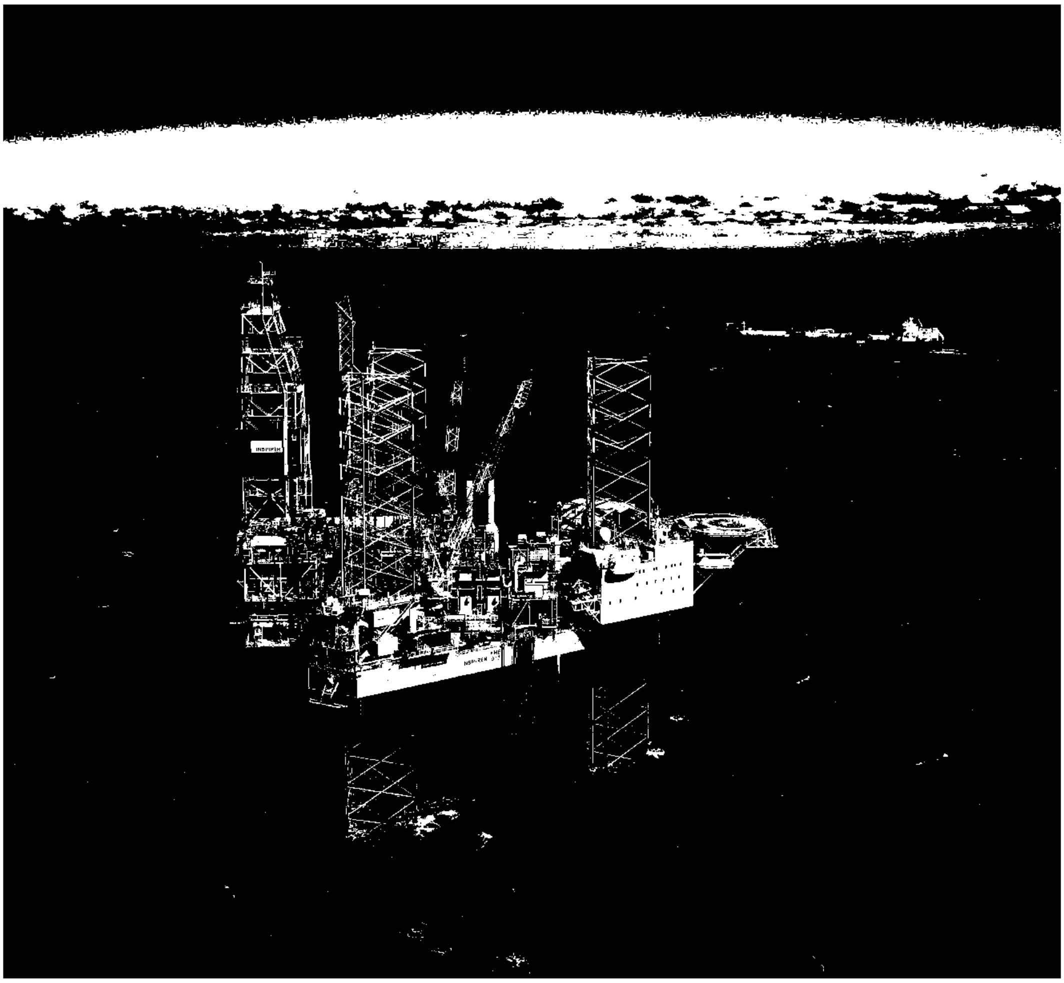
The redevelopment plan of the field was approved by the Norwegian authorities in March 2018. The new amended PDO (Plan for Development and Operation) for Yme (PL316 and PL316B) relates to a combination of existing and new installations and wells.

The facilities used include the leased Mobile Offshore (jack-up) Drilling and Production Unit (MODPU) Mærsk Inspirer. Modifications have been made to the existing storage tank and caisson support structure. This structure contains the risers and provides a platform for a new wellhead module that sits alongside the MODPU. The Beta structure is developed by subsea oil production and water injection wells, connected to the MODPU via a subsea production system and a production and injection pipeline.

Lime acquired a 10 per cent stake in the Yme field from KUFPEC Norway AS, a subsidiary of Kuwait Petroleum Corporation, in a transaction completed on 23 December 2022. The field is being developed in partnership with Repsol Norge AS (55 per cent) as an operator, LOTOS Exploration and Production Norge AS (20 per cent), and OKEA ASA (15 per cent).

Yme New Development started production in October 2021. By the end of 2022, the field was producing from eight production wells. The average 2022 production was about 9200 barrels oil per day gross, which is lower than the expected forecast.

Since June 2022, The Beta North drilling campaign was ongoing with drilling and competition of two producers (9/2-E-1 AH and 9/2-E-3 H) and one injector (9/2-E-2 H). The 9/2-E-1 AH and, 9/2-E-3 H started production at the end of 2022. The 9/2-E-2 H injector started in January 2023. Workover and drilling campaigns on Gamma will continue through 2023, adding more producers and injectors to ramp up to plateau production.



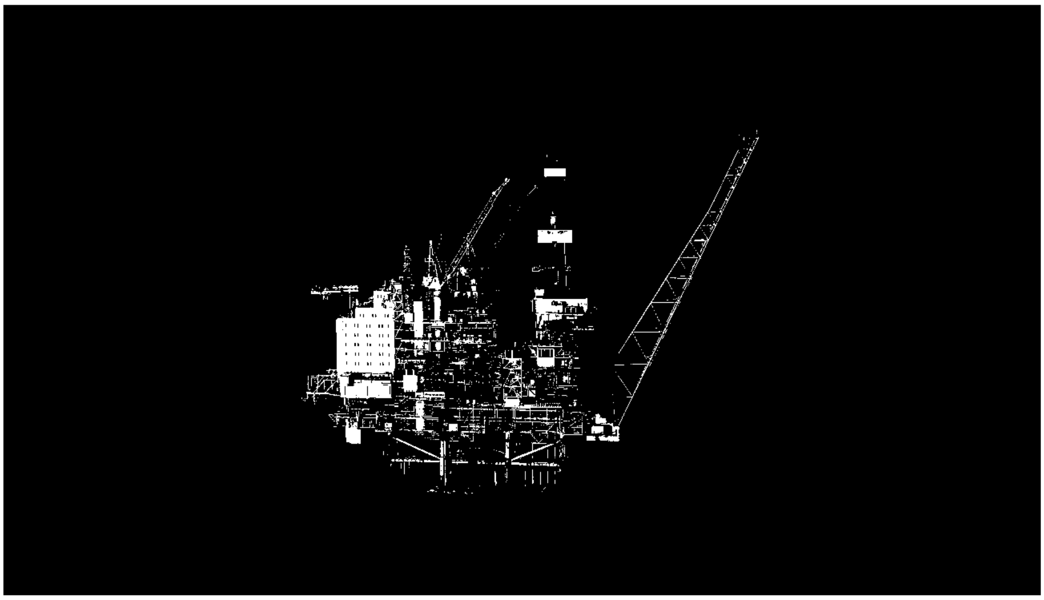
Yme platform Credits: Bitmap Repsol Norge AS

The Brage Unit

(Lime – 33.8434 per cent)

Brage is a large oil and gas field in the northern part of the North Sea, 10 kilometres east of the Oseberg field. The water depth is 140 meters. Brage was discovered in 1980 and production started in 1993. The field is developed with an integrated production, drilling, and accommodation facility with a steel jacket platform with 40 well slots. Oil and gas are separated on the platform. Oil is piped via the Oseberg platform through the Oseberg Transport System (OTS) to the Sture terminal. Gas is transported through Statpipe to Kårstø. The average 2022 production was about 7400 barrels oil equivalent per day gross from around 20 oil producers and 4 water injectors. This is lower than the expected forecast. According to the Norwegian Petroleum Directorate, there are 2.5 million Sm3 of oil equivalent or 15.7 mmboe of remaining reserves in the Brage Field. Accordingly, giving Lime Petroleum net 11.028 mmboe proven and probable reserves at the end of 2022. Based on the gross production on the Brage Field in 2022, production averaged 2,465 boepd net to Lime.

The Brage South well, concluded in July 2022 is now planned to be sidetracked to a Fensfjord Formation production target. In the Talisker area, drilling of well A11 with multiple targets was initiated.



Brage Credit: OKEA ASA

Sustainability and environmental commitment

Lime is working to be part of the solution to the pressing environmental challenges, helping to ensure benefits both for today and for future generations. The oil and gas sector as an important global industry presents an opportunity to have a meaningful and sustainable impact, while playing a key role in providing the energy that is essential for the growth of strong economies.

We recognize that to achieve sustainable development, we need to focus on all our stakeholders, from suppliers to business partners and investors as well as engage with our local communities. We aim to manage the impacts of our operations by emphasizing environmental change mitigation, health and safety, and human rights protection.

While supporting efforts to reduce negative impacts on the environment, Lime continued with its Carbon Capture and Storage (CCS) project started in September 2021. Throughout 2022, subsurface studies were conducted in collaboration with project partners. The project was named Iroko after an African tree with the capability of capturing CO^2 from the atmosphere and transforming it into limestone.

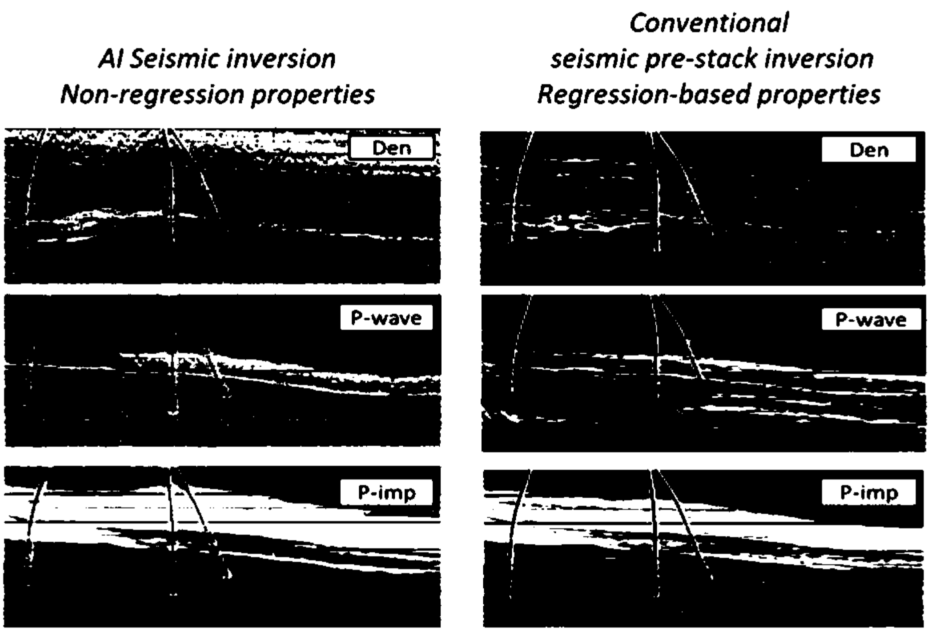
The area of interest was identified by assessing reservoir and seal parameters, storage capacity, and risk. Three potential storage sites were evaluated using maps and static and dynamic modeling. As a result of the commercial evaluation, a viable business case was identified and approved. The project will continue into the nomination and application for a storage site in 2023.

The carbon capture and storage project will contribute to the reduction of $CO2$ volumes in the atmosphere which is essential to achieving the climate targets that limit warming to 1,5°C. Byaddressing climate change in our operations, Lime seeks to support The United Nations Development Goals (SDG) in particular those related to Climate Action (SDG13), Responsible Consumption and Production (SDG 12), Industry Innovation and Infrastructure (SDG 9), and Affordable and Clean Energy (SDG7).

Westcoast Norway Photo: Victoria Fondenær

AI-driven Seismic Inversion algorithm

As part of our engagement in supporting technological development in our local community, Lime is sponsoring a Pre-Stack Solutions-Geo AS project together with the Research Council. The project aims to develop an AI-based pre-stack seismic inversion algorithm with a radically new solution approach expected to benefit the estimation accuracy of rock properties, increase the probability of direct hydrocarbon indication and reduce the man hours and processing costs.



From EAGE Conference Presentation, Tumen'

Directors' Report

The global energy picture has been scrambled by Russia's war in Ukraine. One year after the start of the conflict, Europe is still feeling the consequences of the war it created driving oil and gas prices to unseen highs. The gas market volatility reverberated across energy markets the world over and changed the pace of the energy transition. Attention was brought to market independence, setting a new light on suppliers' reliability while stressing the need to look for alternative sources of energy. The world is creating a new dynamic where the search for renewables is supported by the continued safe supply of hydrocarbons. Lime Petroleum AS has drawn upon a strategy for a balanced portfolio securing the oil and gas supply while contributing to the net zero environmental goals.

Lime's 33.8434 per cent share in the Brage Unit, followed by theacquisition of a 10 per cent interest in the Yme Field in December 2022, consolidate the company's position as a full-cycle exploration and production player on the Norwegian Continental shelf. In a transaction with MOL Norge AS, Lime purchased a 40 per cent interest in PL820S and PL820SB, adding a development project to the portfolio. Later in the year, Lime farmed down 10 per cent of the licenses to Vår Energi ASA.

LIME PETROLEUM
ANNUAL REPORT 2022

Lime Petroleum AS (hereinafter referred to as Lime) is a Norwegian oil company owned by Rex International Investment Pte Ltd (Rex; 91.65 per cent share capital) a wholly owned subsidiary of the Singapore-listed Rex International Holding Limited, and Schroeder & Co Banque SA (Schroeder; 8.35 per cent share capital). Lime`s office is located at Skøyen in Oslo, Norway.

Lime`s core business is to explore for, develop and produce oil and gas on the Norwegian Continental Shelf. Having acquired ownership in oil producing fields, Lime stands out as a full-cycle exploration and production company.

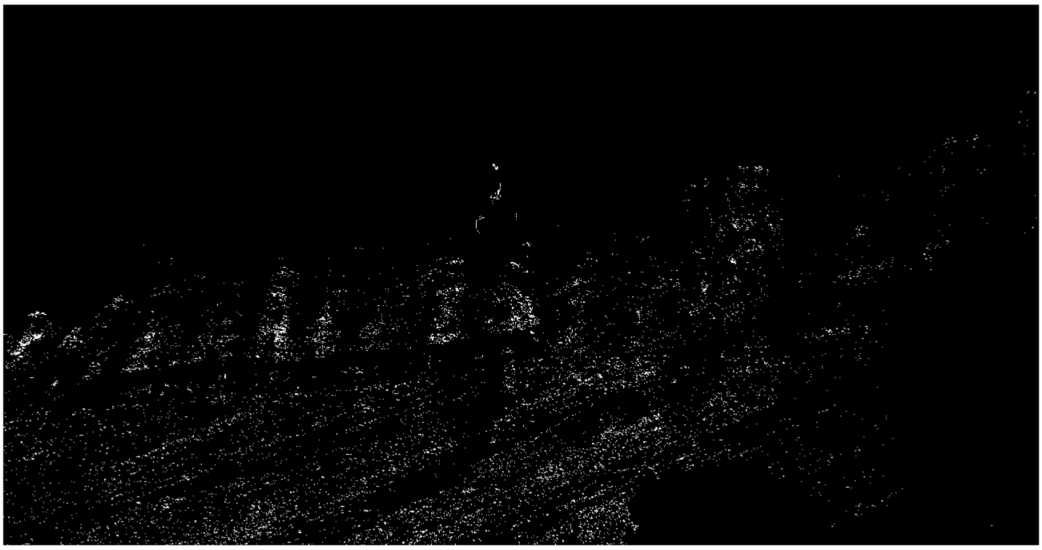
Operational review

The acquisition of 10.0 per cent interest of the licenses PL316 and PL316B* that constitute the producing Yme Field operated by Repsol Norge AS in August 2022 was the highlight of the company`s activities in 2022. Making another significant transaction after the purchase of 33.8434 per cent interest in the Brage Field in 2021, the company generates cash flow from two oil-producing assets.

On 10 August 2022, Lime signed a sales and purchase agreement with KUFPEC Norge AS to acquire their 10.0 per cent interest in the Yme Field. The transaction involving a consideration of NOK 670.8 million, was approved by the Ministry of Petroleum and Energy and the Ministry of Finance on 24 November 2022, and completion took place on 23 December 2022. The transaction had the nature and financial effect of a business combination by way of accounting treatment, for which NOK 313.5 million was recognized as goodwill.

On 31 October 2022, Lime closed a transaction with MOL Norge AS. In this transaction Lime purchased a 40 per cent interest in PL820S and PL820SB, adding an additional development project to the portfolio. Later in the year, Lime farmed down 10 per cent of the licenses to Vår Energi ASA, with Vår becoming the Operator of the license. The sales and purchase agreement with MOL Norge AS was signed 14 April 2022. The sales and purchase agreement with Vår Energi ASA was signed 30 June 2022. The transfers were approved by the Ministry of Petroleum and Energy 22 September 2022.

Through 2022, the Brage field for the most part produced well. OKEA ASA successfully took over operatorship of Brage from Wintershall DEA 1 November 2022. No serious HSE incidents occurred during 2022. The scheduled maintenance stop was postponed from May 2022 to September 2022.



Greece, Corinth Photo: Adam Spitzmüller

No significant issues with the facility were found during the maintenance stop, however bringing production levels back up after the shutdown proved to be more time consuming than anticipated, especially for gas production. The production efficiency for December 2022 was back up to pre-shut down levels at 98 per cent. The Brage South well was concluded in July 20 days ahead of schedule, and the targets were found to be dry. The well is now planned to be sidetracked to a Fensfjord Formation production target in Q1 2023. After the maintenance stop, drilling of the A-11 well with multiple targets in the Talisker area (proven in 2021) was initiated.

Adding 10 per cent share in the Yme Field to the Lime portfolio augments the company`s oil production. Throughout 2022, Yme went through an extended commissioning process due to several unexpected shutdown periods. The field was shut in for most of the month of September 2022. As a result of this, the overall production volumes on Yme were 1/3 of the forecast for the year and production drilling from the Yme MODPU (Mobile Offshore Drilling Production Unit) was delayed. Plateau production initially expected to be reached in Q4 2022, is expected in mid-2023. Yme production improved significantly through December 2022, reaching a monthly average of 14,000 bopd (barrels of oil per day), from 4 wells with a peak production level reached late in December 2022 of 29,680 bopd from 8 wells. Drilling on the Beta structure concluded at the end of the year, while drilling on the Gamma structure from the Yme Inspirer (MOPU) rig is ongoing and will continue in 2023 with three further wells.

The license partnership on PL433 (Fogelberg) decided to relinquish the license rather than move forward with a PDO (Plan for Development and Operation) in 2022. The license was fully impaired by the end of 2022. As a result of the high risk/high reward well on PL937 and PL937B (Fat Canyon) being drilled late 2021 and which was found to be dry, the partners in the licenses approved relinquishment in Q2 2022. The licenses were consequently written down in Q3 2022. Similarly, PL1111 was decided to be relinquished and fully impaired by the end of 2022.

As part of the green transition, Lime is participating in a Joint Industry Project aiming at securing a CCS (Carbon Capture and Storage) license on the Norwegian Continental Shelf. Lime sees a growing market for carbon storage, which aligns with Lime's technical skills and business interests. Lime is also actively participating in projects to reduce CO2 emissions from operations in which Lime is involved.

To accommodate the increased portfolio, Lime has upgraded the business management system during 2022 and has further strengthened the team with technical and financial competency.

Lime Petroleum AS is a non-operator and not directly involved in the execution of offshore operations on a day-to-day basis. However, by becoming a partner in the Brage Field in 2021, and in Yme Field formally as of 1 January 2022, the company engages in dialogues with the operators and partners to ensure that all necessary steps are taken to protect offshore personnel.

Through 2022, the industry has seen significant uncertainties regarding global political and economic stability and experienced oil and gas prices reaching levels never seen before. Even though the energy markets seem to have stabilized into 2023, the level of prices going forward is still subject to uncertainty. The future remains uncertain.

Subsequent Events

On 10 January 2023, Lime was awarded two additional licenses in the APA2022 licensing round. 50 per cent participating share in the licens PL1178 (Palmehaven) and 30 per cent participating share in the license PL1190 (Taco). The license PL1178 is adjacent to the Brage Area and could potentially add valuable additional resources to Lime`s producing asset.

On 10 January 2023, Lime successfully raised NOK 250 million through the tap mechanism in its existing Senior Secured Bond. After the tap issue was carried out, the total outstanding amount is NOK 1 200.0 million. The settlement took place on 18 January 2023. The bonds were issued at 99.25 per cent of the nominal amount.

On 20 January 2023, Lime established an oil price hedging program in order to reduce the risk related to oil price fluctuations. Lime has, effective from 1 February 2023, a hedging program based on put options that will protect the company from significant reductions in crude oil prices through to January 2024. The crude oil production was hedged at strike price of 35 USD/bbl. and USD 0.45 average cost per barrel totaling the option premium to USD 216,000.

On 3 April 2023, the settlement for the Yme transaction was completed and the final settlement amount of USD 570.9 thousand was paid.

On 10 February 2023, Lime announced that the PL867 Gjegnalunden well drilling operation in which Lime holds a 20 per cent interest, was completed and resulted in a minor discovery which will be evaluated for commerciality. The work with the well result will be continued to identify further resources in PL867, and to also evaluate these results against the prospectivity in the neighboring PL818 license with the Orkja prospect in which Lime has a 30 per cent share.

On 14 February 2023, Lime renewed the Directors` liability insurance effective from 15 February 2023 expiry date 14 February 2024. The insurance amount was increased.

On 22 February 2023, Lime signed an agreement to commence a CCS project. The 2023 budget indicates approx. NOK 10 – 12 million for Lime.

On 1 March 2023, the Ministry of Petroleum and Energy granted 6 – months extension for the licenses PL818 and PL818B. New drill or drop decision is to be taken by 5 August 2023.

One – year extension of the license PL838B was approved by the authorities on 16 March 2023. New drill or drop decision is to be taken by 1 March 2024.

The partners in the license PL1111 (Kings Canyon) have decided to relinquish the license, the drill or drop date was 19 February 2023. Based on the decision of relinquishment, the license was written down in 2022 by book value NOK 8.2 million. The after-tax effect (loss) on the net result was NOK 1.8 million. The Ministry of Petroleum and Energy was notified 3 February 2023, and the authorities` approval for relinquishment of the license was received 6 March 2023.

Following these events affecting the license portfolio the company has interests in 21 concessions, of which 6 of the licenses are related to the producing Brage Field and two of the licenses are related to the oil producing Yme Field.

On 28 March 2023 Lime has prequalified as an operator on the Norwegian Continental Shelf.

On 3 April 2023, Lime established a currency hedge program to protect for events triggering volatility in currency markets. A currency hedge based on put options with strike price 9.25 Asian style and a monthly volume of 4.3 MUSD 12 months coupons was made. The hedge will shield the company from significant unfavorable NOK/USD changes through March 2024. The option premium amounted to NOK 4,450,000.

On 17 April 2023, Lime successfully raised NOK 50 million through the tap mechanism in its existing Senior Secured Bond. After the tap issue was carried out, the total outstanding amount is NOK 1 250.0 million. The settlement took place on 21 April 2023. The bonds were issued at 99.0 per cent of the nominal amount.

Rex Virtual Drilling

Lime has a strong focus on technology. Lime has a licence agreement with Rex Technology Investments Pte Ltd granting access to use their proprietary technology Rex Virtual Drilling (RVD). RVD uses standard seismic data to differentiate between liquid hydrocarbons and water in the subsurface reservoirs by analysing the dispersive properties of the resonant seismic waves. The company uses the RVD technology as a de-risking tool and, to provide further evidence of the prospectivity of a given area of prospect. Rex Technology Investments Pte Ltd is a wholly owned subsidiary of Rex International Investments Pte Ltd.

Intra-company cooperation

The Rex Group has three E&P companies; Lime Petroleum AS in Norway owned 91.65 per cent, Masirah Oil Ltd in Oman owned 91.81 per cent and Pantai Rhu Energy SDN BHD in Malaysia owned 100 per cent.

Masirah Oil Ltd is the operator of Block 50 with 100 per cent participating interest offshore located in Gulf of Masirah, east of Oman. The Lime team has provided support on subsurface mapping and interpretation for Masirah since before the Yumna field achieved first-oil in 2020. In 2022 Lime provided subsurface support for the planning and execution of the Yumna-4 well. Lime has also provided support for further exploration in Block 50.

Management and Board of Directors

Nicolai Alexander Sebastian Bonnevier stepped down as a Lime board member in 2022. Bonnevier confirmed his resignation from the Board of Directors in Lime 11 March 2022. Schroeder has waived their dedicated board position in Lime notified by letter received 16 February 2022.

At the signing of this report the Board of Directors consist of the following members:

Svein Helge Kjellesvik	Executive Chairman
Peter Nikolaus Eckhard Oehms	Director
Christopher David Atkinson	Director

The tasks of the board are regulated by the Companies Act, the company's articles of association, and a board instruction. The board employs the CEO and the board has developed instructions and authorizations for the CEO. Board members receive compensation according to their individual role. The compensation for board members is not result-dependent. None of the board members have an agreement for a pension scheme or severance pay from the company, beyond the agreements that employees have as part of their employment relationship in the company. Information about compensation paid to the board is presented in note 23 in the annual financial statements. The General Assembly nominates and elects members of the board.

Health Safety, Environment, and Quality (HSEQ) and equal opportunity

Health, safety, environment, and quality (HSEQ) is an integrated part of all our business operations, in our day-to-day work and ensuring our see-to-duty activities.

Lime is aware that the operations of the company could unintentionally, result in a negative impact or pollute the external environment. The company together with its joint venture partners work actively on measures to prevent and mitigate potential negative impacts on the environment. Lime recognizes the changing attitudes towards the oil and gas industry as a whole and works actively to address issues related to climate change impact, human rights, inclusion, and the like.

Becoming a production company highlights the importance that Lime constantly places on HSEQ. Operators' managing and exploration drillings in which Lime participates are closely monitored to ensure compliance with the HSE regulations. Lime has been an active partner in the Brage Field since 2021 and followed up closely the operatorship transferring process from Wintershall DEA Norge AS to OKEA ASA effective as of 1 November 2022.

Lime added a dedicated HSEQ expert to its team in spring 2022. During 2022 the Business Management System (BMS) has been considerably updated and further developed to cover areas such as partner on non-operated producing fields, development projects and exploration phase as operator on the NCS. The BMS contains supporting processes such as finance, legal and procurement, risk management, information management, HR and HSEQ. The BMS system entails procedures and routines related to financial reporting to ensure sufficient control mechanisms to comply with stock exchange regulations, as applicable. Further, Lime has strengthened its cybersecurity performance to avoid incidents. Information and cybersecurity continue to be an area of risk to the industry and remains a key priority. Lime has further developed and trained the Emergency Response Team with focus on handling emergency situations as non-operator on the NCS.

In addition, Lime has updated the risk management system and invested in a risk management tool that enables robust and systematic risk handling and identifies appropriate mitigation actions. Risk assessments include a wide range of areas such as strategic, financial, operational, compliance, HSE, fraud and corruption, litigation, and cybersecurity risks. Under the new Norwegian Transparency Act, Lime has started the preparation to carry out due diligence activities to ensure that the company is operating responsibly, respecting both human rights and decent working conditions in its operations throughout the whole supply chain.

As of 31 July 2022, Lime has been subjected to the act related to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act). The law requires Lime to carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises and a duty to account for the due diligence process. In 2022 Lime started the process of embedding respect for human rights and decent working conditions into our management system and policies. We established a new human rights policy and updated our code of conduct and whistleblowing policy. The due diligence process is being integrated into existing procedures on HSEQand risk management. Lime is also in the process of identifying human rights risks in our sphere of business and identify mitigating measures to manage these. The result of the process will be published and easily accessible on our website within the 30 June 2023. We acknowledge that the due diligence process is ongoing, and we will strive to respect and support human rights and decent working conditions in all our operations, partnerships, and supply chain relationships.

At the end of 2022, the company had a total of 18 employees balanced between 6 women and 12 men, spread across 8 different nationalities. Accounting, tax and legal services are outsourced and contracted from professional service providers. The company hires support services from consultants usually on temporary short-term contracts.

Stevns Klint, Denmark Photo: Karsten Eig

Lime practices equal rights and opportunities between gender with respect to employment, wages, and professional development. Factors determining wages are work area, seniority, skills, and education. Vacant positions are filled on a gender-neutral basis. The company follows the provisions of the Norwegian Equal Opportunities Act always following no discrimination policies. At present, there are no female directors on the Board.

Lime's governance principles and objectives are based on the recommendations of the Norwegian Code of Practice for Corporate Governance (www.nues.no).

The working environment in the company is good and efforts are made for continuous improvement. Lime employees practice a combination of working at the office or working from home. In September 2022, the company moved to newly renovated offices to add more space to its growing number of employees. Furthermore, a sustainability report for the Lime office was performed by external consultants for estimation of the environmental and carbon footprint. The report focused on energy consumption, water, and waste reflecting Lime's share for the building Skøyen Atrium. The power supply is based on electrical energy and district heating. The greenhouse gas accounting was prepared in accordance with the international standard, the Greenhouse Gas Protocol Initiative (GHG Protocol). Absence due to illness during 2022 was 2.0% compared to 3.0% in 2021. None of the company's employees have been injured or caused damage to property of any kind.

Lime Petroleum has its offices in a modern corporate complex at Drammensveien 145a, at Skøyen Oslo.

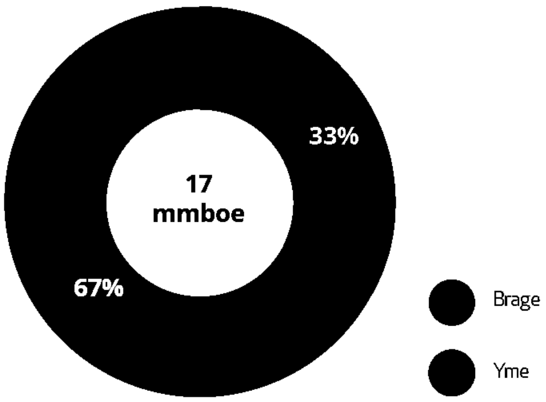
Annual Financial Statements

(2021 figures in brackets)

Pursuant to § 3-3 of the Norwegian Accounting Act, it is confirmed that the accounts have been prepared on the assumption that Lime Petroleum AS is a going concern, and the board confirms that this assumption continues to apply.

In 2022, the company delivered revenues from sale of crude oil and gas amounting to NOK 947.5 million. The revenue in 2021 (NOK 160.7 million) resulted from the purchase transaction related to the acquisition of 33.8434 per cent share in the Brage Field. The purchase gain in 2021 was a consequence of the oil market moving favorably compared to the market outlook at the time of the Brage bid.

Reserves and Resources



On 10 August 2022, Lime signed an agreement with KUFPEC Norway AS to acquire 10 per cent share in the oil producing Yme Field. The transaction was approved by the Ministry of Petroleum and Energy and the Ministry of Finance 24 November 2022, and the completion took place 23 December 2023. The purchase resulted in a total goodwill of NOK 313.5 million recognized as non-current asset in the balance sheet. Through its purchase of the Yme share of 10 per cent, the company acquired its second recurrent cash-generating asset.

Operating expenses totaled NOK 960.2 million (NOK 89.2 million). The increase in cost is mainly due to Brage operating cost NOK 455.9 million (no operating cost in 2021) and depreciation NOK 180.0 million (NOK 1.6 million) as a result of Lime acquiring 33.8434 per cent in the Brage Field in 2021. Net impairment following the relinquishment of PL937 (Fat Canyon NOK 79.9 million), PL433 (Fogelberg NOK 144.1 million) and PL1111 (Kings Canyon 8.2 million) amounted to a total of NOK 232.2 million (NOK 8.7 million). The increase in Other operating expenses NOK 44.0 million (NOK 13.1 million) was mainly related to insurance and incremental use of consultants. Exploration expenses NOK 31.2 million (NOK 29,9 million in FS) and Payroll and related cost NOK 36.1 million (NOK 35.8 million) were kept at same level as the year before.

Net financial costs in 2022 were NOK 133.5 million (NOK 33.6 million in 2021). The high-level financial cost in 2022 compared to 2021 was primarily related to the senior secured bond issue, at year-end amounting to NOK 950 million (NOK 500 million in 2021) and the shareholder loan facility.

The interest-bearing debt was NOK 1 055.4 million at the end of 2022 compared to NOK 583.5 million end of 2021. The Yme purchase prompted the establishment of a series of bonds up to the maximum amount of NOK 1 250.0 million, put in place 4 July 2022. By the end of the year, the initial bond issue amount of NOK 950 million was released. Former bond of NOK 500 million was repaid in July 2022. The loan facility agreement with the company`s shareholder Rex International Investments Pte Ltd ("Rex"), had a balance of NOK 152.1 million including interest end of 2022 (NOK 93.4 million end of 2021).

Loss before taxes was NOK 147.4 million (profit of NOK 37.9 million in 2021). Tax income amounted to NOK 66.9 million (NOK 81.8 million). The company's tax refund related to the 2021 activity received in 2022 amounted to NOK 355.5 million. The tax refund earned in 2022 expected paid out in 2023, is calculated to NOK 556.2 million.

Loss for the full year amounted to NOK 80.5 million while there was an annual profit amounted to NOK 119.7 million in 2021.

Reference is made to separate report published at Lime web site regarding the reportable payments according to the Norwegian Accounting Act Section § 3-3d and Securities Trading Act § 5-5a which specifies that companies engaged in activities within extractive industries shall annually prepare and publish a report containing information about their payments to governments at country and project level.

Investments

During the year, the cash flow from investing activities amounted to NOK 1 098.1 million (NOK 575.9 million) of which the bigger part was linked to the Brage infill drilling campaign (NOK 428.5 million) which included the drilling of A31/4 A – 13C within the Brage field area enhancing understanding of Fensfjord formation, and the acquisition of the Yme share of 10% (NOK 538.6 million). The Brage decommissioning security established in 2021 of NOK 84.5 million was increased to NOK 87.5 million in 2022. The Yme transaction has been determined to constitute a business combination and has been accounted for using the acquisition method of accounting as required by IFRS 3. The capitalized cost related to exploration and evaluation activity amounted to NOK 118,1 million (NOK 126.4 million in 2021). The exploration and evaluation activity cost are mainly composed of studies related to PL838 Shrek and PL433 Fogelberg, both prospects aiming for a PDO (Plan for Development and Operation) unfortunately not reached in 2022, G&G and engineering work on the basement reservoir on PL820S Iving, and preparations for the PL867 Gjegnalunden well operation end of 2022.

Financing

As a result of the Yme acquisition the company reshaped its financing. The current borrowing base is the three-year senior secured series of bonds up to a maximum amount of NOK 1 250.0 million with different issue dates established on 4 July 2022. The initial bond issue in 2022 amounting to NOK 950 million was released in three tranches. On 4 July 2022 a partly release of NOK 500 million was made for repayment of the existing senior secured bond loan of NOK 500 million, the repayment of the bond was repaid in full pursuant to the applicable provisions according to bond terms "Early Redemption" and "Make Whole" settlement. On 3 October 2022, the NOK 100 million reverse greenshoe auction was carried out, no offers were made in the auction and the greenshoe amount was transferred to Lime 6 October 2022. The release of the final NOK 350 million was given at Yme closing 23 December 2022. The conversion rights in relation to the put option and call option set out in the Bond Terms are considered to be embedded derivatives but evaluated to be immaterial so not bifurcated and accounted for separately.

The current bond of NOK 1 250.0 million was listed on Oslo Stock Exchange 27 September 2022 approximately 3 months after the issuance of the bonds.

Lime entered on 1 December 2022 into two crude oil purchase and sales agreements with Shell International Trading and Shipping Company Ltd ("Stasco") for Brage and Yme respectively. The contract periods are commencing on 1 January 2023. Stasco agreed to make advance payments under the contracts up to USD 30 million in aggregate. Any advance payments will be set of against payments made for cargoes lifted in the period April to November 2023. Lime has received advance payments from Stasco up to the maximum level and recognized these as current liabilities in the balance sheet.

The company strengthened its capital structure by an additional shareholder loan from its shareholder Rex of USD 5 million on 20 December 2022. Conditional to the bond, the shareholder loan agreements still stand. The loan facility agreements had a balance of NOK 152.1 million on 31 December 2022. By the amendment to the loan facility agreements dated 20 December 2022, the maturity date was further extended to 31 December 2025.

The share capital was NOK 216.9 million at the year-end of 2022 compared to NOK 130.3 million in 2021. In December 2021, the company strengthened its capital structure by a capital injection from the existing shareholders of NOK 200 million. The capital increase was made through a combination of cash contribution and conversion of debt. The share capital was increased from NOK 130,320,000 to NOK 216,900,087 by issuing 86,580,087 new shares with a nominal value of NOK 1,- per share, at a subscription price of NOK 2.31 per share. At the same time, the company`s debt to shareholder Rex of NOK 72,000,000 was set-off as capital contribution and converted into equity capital. The capital increase was registered in the Register of Business Enterprise 21 January 2022.

After the completion of the share capital increase in December 2021, Rex International Investments Pte Ltd holds 91.65% (previously 90%) of the shares in the company and Schroder & Co Banque SA holds 8.35% (previously 10%) of the shares in the company. The distribution of the shareholding remains unchanged at the year-end 2022.

The total equity was NOK 367.5 million at the year-end of 2022 compared to NOK 448.0 million in 2021 as an outcome of the 2022 annual result.

Risk factors and risk management

Lime Petroleum AS is subject to controllable and uncontrollable risks associated with the oil and gas industry and operations. Companies operating in the oil and gas are exposed to a variety of operational, financial, and external risks which it may not be possible to eliminate completely. The company is focusing on identifying risks, implementing preventive measures, and mitigating effects of such risks. The management in Lime works closely with its main shareholder and parent company Rex, to develop a risk management strategy and framework to enable the management to prevent events and to handle them effectively.

Lime has established internal procedures and system for ethical guidelines and social responsibility policy. In 2022, the company supplemented its ethical guidelines by establishing Human Rights policy as a part of being compliant with the new Transparency Act entered into force on 1 July 2022. Preparatory work for the Transparency Act has been ongoing by conducting a due diligence assessment report to be published on 30 June each year. Lime has applied IT policies to ensure IT security and cybersecurity risk. Lime initiated an IT audit performed by EY conducting a cyber program assessment (CPA) for the company in 2021. No significant risks were uncovered; however, Lime has implemented suggestions for improvements and is constantly looking for optimal solutions.

Lime has previously, as a pure exploration company, to a certain extent been exposed to exchange rate fluctuations as exploration operations are partly in foreign currency, primarily in USD. The company has also been exposed to changes in market interest rates, as its financing facilities has variable rate terms (NIBOR). In 2021, the company acknowledged a higher level of operational, financial, and external risk exposure as a consequence of becoming a partner of the oil and gas producing Brage field and expanded loan obligations. The recognition of risk exposure at an even higher level was confirmed by the Yme transaction in 2022.

Operational risk

Lime recognizes the risks associated with the operations of the company`s operational assets. The regulations of activities on the Norwegian Continental Shelf (NCS) provide the framework for handling these risks, and Lime intends to act as an active and responsible partner supplementing technical expertise in all aspects of the operations. However, drilling, development, production, and decommissioning activities will never be risk-free and there will always be a risk for a major operational incident to occur.

Furthermore, there are risks related to the future production of oil and gas which is dependent on the ability to find or acquire reserves and resources, and to develop them. The company`s assets are non-operated and there will be risk associated with third-party contractors or operators. Also, costs related to exploration and development projects are uncertain.

Through 2022, the Brage field for the most part produced well. OKEA ASA successfully took over operatorship of Brage from Wintershall Norge AS 1 November 2022. No serious HSE incidents occurred in 2022. The scheduled maintenance stop was postponed from May to September. No significant issues with the facility were found during the maintenance stop, however bringing production levels back up after the shutdown proved to be more time consuming than anticipated, especially for gas production. Throughout 2022, Yme went through an extended commissioning process due to several unexpected shutdown periods. The field was shut in for most of the month of September. As a result of this, the overall production volumes on Yme were 1/3 of the forecast for the year and production drilling from the Yme MOPU

Lime works together with the operator to establish risk mitigation actions to reduce the possibility of operational incidents occurring. When participating in the drilling of an exploration well on the Fat Canyon prospect in the Norwegian Sea licenses PL937/B in 2021, Lime conducted a review of the operator's Health, Safety, Environment, and Quality (HSEQ) management system in advance of the drilling to verify that there were no missing elements and compliance to relevant HSEQ regulations.

Commodity price risk

Becoming a partner of the oil and gas producing Brage Field in 2021 and a partner of the oil producing Yme Field in 2022, the company is exposed to market fluctuations in commodity prices influencing the company`s revenues. Commodity price risk represents one of the most notable risks for the company going forward. In order to reduce the risk related to oil price fluctuations, the company has established an oil price hedging program.Lime has, effective from 1 February 2023 a hedging program based on put options that will protect the company from significant reductions in crude oil prices through January 2024. The crude oil production was hedged at strike price of 35 USD/bbl. and USD 0.45 average cost per barrel totaling the option premium to USD 216,000.

Financial risk

In addition to the company being exposed to market

View from Brage platform. Photo: OKEA ASA fluctuations in commodity prices, Lime will be exposed to risks related to foreign exchange rates and interest rates. Currency risksarise as the multi-currency cash flows in the company. The company`s revenues from sale of hydrocarbons are primarily in USD. Lime is also exposed to foreign currency risk related to its operating and capital expenditures. To protect from events triggering volatility in currency markets, Lime established a currency hedge on 3 April 2023. The hedge program is based on put options with strike price 9.25 Asian style and a monthly volume of 4.3 MUSD 12 months coupons. The hedge will shield the company from significant unfavorable NOK/USD changes through March 2024. The option premium amounted to NOK 4,450,000.

The company`s interest risk arises from its interestbearing borrowings involving variable rate terms (NIBOR). The company`s current borrowing base is the senior secured series of bonds up to a maximum amount of NOK 1 250.0 million with different issue dates established on 4 July 2022. The bonds bear an interest rate of 3 months Norwegian interbank offered rate ("NIBOR") plus margin of 9.25 per annum. Interests and redemption of bonds is repayable in quarterly instalments, with first repayment in July 2023. The final maturity date of the bonds is 7 July 2025.

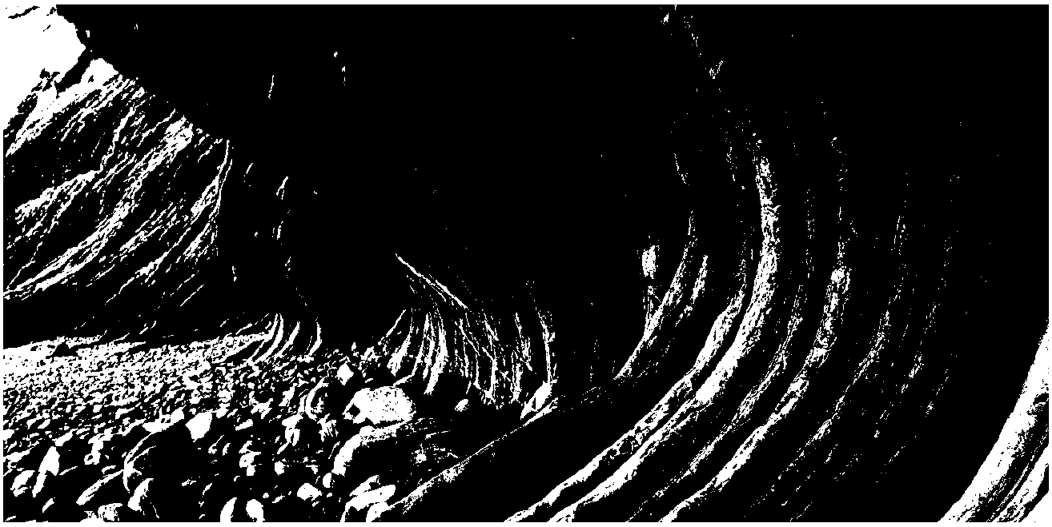
Lime has stock listed bonds at the main list at Oslo Børs and as such, the company must be compliant with the Market Abuse Regulations ("MAR") and the obligations there in. Lime implemented a project in the process to establish routines to fulfill the regulatory duties according to MAR. The process is in its final phase implementing internal routines, procedures, and guidelines in Lime Business Management System. Lime has increased the employees` awareness of the responsibility that the possession of inside information entails and the consequences of any misuse of such information.

The company considers its credit risk to be low, since its license partners are creditworthy oil companies and cash, and cash equivalents are receivables from banks.

Lime is focused on active risk management concentrating on liquidity, and insurance. The company has insured its liabilities related to exploration and production activities on the NCS in line with industry best practices and has offshore insurance programs covering the following risks (non-exhaustive):

- loss of production income
- physical damage to assets
- well control
- third-party liability

The company stresses focus on liquidity and the company's financing needs are continuously monitored to ensure appropriate funding. Liquidity risk is the risk that the com-



pany will not be able to meet its financial liabilities when they become due. Lime develops short-term (12 months) and long-term forecasts to plan its liquidity. These forecasts are updated regularly for various scenarios, and form part of the decision basis for the company's management and board. The company's future capital requirements depend on many factors, and the company is closely monitoring the need for funds to fulfil its commitments related to exploration and development programs associated with the company`s license portfolio. It is a possibility to reduce future commitment by withdrawing from a license. The 2023 commitments will be financed by the revenues from Brage and Yme production and the tax refund for 2022. (For further information refer to note 10 Tax). No further capital injection or loans are budgeted.

For further information refer to Financial Risk Management described in Note 21.

External risks

Lime Petroleum AS is a non-operator and not directly involved in the execution of offshore operations on a day-to-day basis. However, as becoming a partner in the Brage Field in 2021 and a partner in the Yme Field formally as of 1 January 2022, the company will take part in the dialogues with the operators to ensure that all necessary steps are taken to protect offshore personnel against any circumstances that may have an impact on the working conditions.

The business environment in which the company operates can change rapidly. In light of the lessons learned from the global pandemic which took hold in 2020 and continued for a long-time creating challenges for the oil industry, Lime continues to be vigilant following all circumstances with the objective of making sure necessary measures are taken to protect staff and operations.

Russia`s invasion of Ukraine, which commenced in February 2022 involved material influence on the oil industry. Through 2022, the industry has seen significant uncertainties regarding global political and economic stability, and experienced oil and gas prices reaching levels never seen before. Even though the energy markets seem to have stabilized into 2023, the level of prices going forward is still subject to uncertainty. The extent to which this impacts the company`s results will depend on future developments and thus difficult to predict. Lime Petroleum continues to take necessary steps to ensure that the company remains financially sound.

On 8 April 2022, the Ministry of Finance put forward the Government's new tax proposal to the Parliament. The tax proposal was passed by the Parliament before the summer 2022 and took effect as of 1 January 2022. The new tax regime will have positive effects for Lime.

Lime has a potential risk exposure from the response to climate change and ESG initiatives. As an oil and gas producing company, Lime has an inherent risk related to the rise in atmospheric carbon dioxide, which in turn has contributed to a warming of the climate system. To mitigate this risk, Lime is actively participating in the Brage Climate Response initiative to electrify the field by the use of windmills. Lime is also a partner in the Carbon Capture and Storage project which aims to permanently store CO_2 captured from industrial processes.

Outlook

Lime Petroleum AS continues to stay focused on its business strategy increasing the assets portfolio, to achieve an even stronger position on the Norwegian Continental Shelf both as license partner and in the role as a pre-qualified operator. Lime is continuously looking for new opportunities to expand its activity for further value creation. Lime Petroleum AS aims to be an active responsible partner, performing its see-to duty as a licensee, and now also ensuring its business activities comply with human rights standards by creating procedures to identify, report and mitigate transgressions. The company is actively taking part in initiatives that mitigate the footprint of our activities by participating in a CO_2 carbon storage project. The project worked through 2022 with subsurface studies that identified a secure location for CO_2 injection on the NCS.

The Board of Directors of Lime Petroleum AS
Oslo, 30 April 2023

Svein H. Kjellesvik Executive Chairman	Christopher D. Atkinson Director	Peter N. Eckhard Oehms Director

Lars B. Hübert
CEO

Confirmation from the Board of Directors and CEO 2022

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2022 have been prepared in accordance with IFRS adopted by EU and give a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the Directors' Report provides a true and fair view of the development and performance of the business and the position of the Company together with a description of the key risks and uncertainty factors that the Company is facing.

The Board of Directors of Lime Petroleum AS
Oslo, 30 April 2023

Svein H. Kjellesvik
Executive Chairman

Christopher D. Atkinson
Director

Peter N. Eckhard Oehms
Director

Lars B. Hübert
CEO

LIME PETROLEUM
ANNUAL REPORT 2022

Income Statement

(Amounts in TNOK)	Note	**2022**	**2021**
Revenues from crude oil and gas sales	4	947 527	0
Other operating income / loss (-)	12	-1 221	160 684
Total operating income		**946 306**	**160 684**
Production expenses	5	-455 409	0
Change in over-/underlift position	5	18 746	0
Exploration expenses	6	-31 154	-29 928
Payroll and related cost	7	-36 121	-35 843
Depreciation and amortisation	13,14	-180 028	-1 570
Impairment (-) / reversal of impairment	11	-232 156	-8 745
Other operating expenses	8	-44 045	-13 078
Total operating expenses		**-960 168**	**-89 164**
Profit / loss (-) from operating activities		-13 862	71 521
Finance income		21 490	427
Finance costs		-155 008	-34 068
Net financial items	**9**	**-133 518**	**-33 641**
Profit / loss (-) before income tax		**-147 380**	**37 880**
Taxes (-) / tax income (+)	10	66 876	81 785
Profit / loss (-) for the year		**-80 505**	**119 664**

Statement of comprehensive income

(Amounts in TNOK)	Note	2022	2021
Profit/loss(-) for the year		**-80 505**	**119 664**
Other comprehensive income, net of tax:		**0**	**0**
Total comprehensive income for the year		**-80 505**	**119 664**

Balance Sheet as at 31 December

(Amounts in TNOK)	Note	**2022**	**2021**
ASSETS			
Non-current assets			
Goodwill	11	313 486	0
Exploration and evaluation assets	11	240 360	355 010
Oil and gas properties	12,13	1 518 202	727 670
Property, plant and equipment	13	775	661
Right-of-use assets	14	7 282	2 256
Non-current receivables	15	1 331 363	1 473 184
Total non-current assets		**3 411 468**	**2 558 780**
Current assets			
Prepayments and other receivables	16	257 234	51 623
Spareparts, equipment and inventory		134 918	104 539
Tax refund receivable	10	556 235	355 488
Other financial asset - restricted cash	17	87 500	84 500
Cash and cash equivalents	17	405 898	146 262
Total current assets		**1 441 784**	**742 412**
Total assets		**4 853 253**	**3 301 193**
EQUITY AND LIABILITIES			
Equity			
Share capital	18	216 900	130 320
Other paid-in capital		125 471	12 052
Capital increase pending registration		0	200 000
Retained earnings / Uncovered loss		25 145	105 650
Total equity		**367 517**	**448 022**
Liabilities			
Non-current liabilities			
Asset retirement obligations	19	1 790 703	1 674 828
Deferred tax liabilities	10	657 109	359 777
Leasing liabilities	14	5 396	969
Interest-bearing loans and borrowings	20	918 289	508 489
Total non-current liabilities		**3 371 497**	**2 544 063**
Current liabilities			
Interest-bearing loans and borrowings	20	137 156	75 000
Trade creditors	21	43 713	24 652
Other current liabilities	22	933 369	209 456
Total current liabilities		**1 114 238**	**309 108**
Total liabilities		**4 485 736**	**2 853 171**
Total equity and liabilities		**4 853 253**	**3 301 193**

The Board of Directors of Lime Petroleum AS
Oslo, 30 April 2023

Svein H. Kjellesvik
Executive Chairman

Christopher D. Atkinson
Director

Peter N. Eckhard Oehms
Director

Lars B. Hübert
CEO

Statement of changes in equity

(Amounts in TNOK)	Share capital	Not registered capital increase	Other paid in capital	Retained earnings / Uncovered loss	Total equity
Equity at 1 January 2021	130 320		11 386	-14 014	127 692
Profit / loss (-) for the year				119 664	119 664
Other comprehensive income for the year	-			-	0
Total comprehensive income for the year				119 664	119 664
Share-based payment			665		665
Shares issued in 2021, registered in 2022		200 000			200 000
Equity at 31 December 2021	**130 320**	**200 000**	**12 052**	**105 650**	**448 022**
Equity at 1 January 2022	130 320	200 000	12 052	105 650	448 022
Profit / loss (-) for the year				-80 505	-80 505
Other comprehensive income for the year	-			-	0
Total comprehensive income for the year				-80 505	-80 505
Shares issued in 2021, registered in 2022	86 580	-200 000	113 420		0
Equity at 31 December 2022	**216 900**	**0**	**125 471**	**25 145**	**367 517**

Cash Flow Statement

(Amounts in TNOK)	Note	2022	2021
Cash flow from operating activities			
Profit (loss) before income tax		-147 380	37 880
Adjustments:			
Gain from bargain purchase	12	0	-160 684
Tax refunded	10	375 393	170 848
Depreciation	13,14	180 028	1 637
Impairment/disposals exploration assets	11	232 705	8 745
Changes in trade creditors	21	19 061	17 116
Changes in other assets and liabilities		282 681	41 616
Net cash flow from operating activities		942 489	117 157
Cash flow from investing activities			
Investment in exploration and evaluation assets	11	-121 130	-126 446
Net cash paid in business combination	12	-538 582	-364 889
Investment in oil and gas properties	13	-428 462	0
Brage abandonment liability - restricted cash	17	-3 000	-84 500
Purchase of property, plant and equipment	13	-6 903	-51
Net cash flow from investing activities		-1 098 077	-575 885
Cash flow from financing activities			
Funds drawn current borrowings, net of transaction costs incurred	20	0	25 000
Proceeds from borrowings, bond loan	20	903 335	486 875
Repayments of borrowings, bond loan	20	-460 462	0
Repayments of current borrowings	20	-75 000	-180 000
Repayments of lease liabilities	14	-1 685	-1 370
Loans from shareholder	20	49 036	129 148
Proceeds from share issues		0	128 000
Net cash flow from financing activities		415 224	587 653
Net change in cash and cash equivalents		**259 636**	**128 925**
Cash and cash equivalents at 1st January		146 262	17 337
Cash and cash equivalents at 31st of December		**405 898**	**146 262**
Interest paid		64 603	14 769

Notes

Note 1 General information

The Financial Statements of Lime Petroleum AS were approved by the Board of Directors and CEO on 30 April 2023 and will be presented for approval at the Annual General Meeting 11 May 2023.

Lime Petroleum AS is a private limited company incorporated and domiciled in Norway, with its main office at Drammensveien 145A 0277 Oslo, Norway. The company is a part of the consolidated Financial Statement of Rex International Holding Ltd. The consolidated Financial Statement can be retrieved from http://rex.listedcompany.com. Lime Petroleum AS was incorporated 18 August 2012.

The company's only business segment is exploration for, development and production of oil and gas on the Norwegian Continental Shelf.

Note 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis for preparation
The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU) (IFRS) and in accordance with the additional requirements following the Norwegian Accounting Act.

Operating expenses in the Income statement are presented as a combination of function and nature in conformity with industry practice.

Balance sheet classification
Current assets and current liabilities include items due less than a year from the balance sheet date, and items related to the operating cycle, if longer. Other assets and liabilities are classified as noncurrent.

Interest in oil and gas licenses
The company accounts for its interest in oil and gas licenses based on its ownership interest in the license. The company recognises its share of each license's income, expenses, assets, liabilities and cash flows, on a line-by-line basis in the company's financial statements.

Foreign currency
Functional currency and presentation currency
The company's functional and presentation currency is Norwegian kroner (NOK).

Transactions in foreign currency
Foreign currency transactions are translated into NOK using the exchange rates at the transaction date. Monetary balances in foreign currencies are translated into NOK at the exchange rates on the date of the balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and any impairment charges. Depreciations are calculated on a straight line basis over the assets expected useful life and adjusted for any impairment charges. Expected useful lives of long-lived assets are reviewed annually and where they differ from previous estimates, depreciation periods are changed accordingly.

Property, plant and equipment are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount.

Right-of-use assets represent the right to use the underlying leased asset during the lease term according to IFRS 16. Reference is made to section "Leases" below for further details.

Depreciation of oil and gas properties
Capitalised costs for oil and gas fields in production are depreciated individually for each field using the unit-of-production method. The depreciation is calculated based on proved and probable reserves. The rate of depreciation is equal to the ratio of oil and gas production for the period over the estimated remaining proved and probable reserves expected to be recovered at the beginning of the period. The rate of depreciation is multiplied with the carrying value plus estimated future capital expenditure necessary to develop any undeveloped reserves included in the reserve basis. Any changes in the reserves estimate that affect unit-of-production calculations, are accounted for prospectively over the revised remaining reserves.

Intangible assets

Goodwill

Goodwill arise from acquisitions of interests in oil and gas licences accounted for in accordance with the principles in IFRS 3 Business Combination. Goodwill is not amortised, but it is tested for impairment at each balance date, or more frequently if an impairment indicator exists, for example by events or changes in circumstances. Goodwill is carried at cost less accumulated impairment losses. The value in use of the company's licenses, are based on cash flows after tax. This is because these licences are only sold in an after-tax market as stipulated in the Petroleum Taxation Act Section 10. The purchaser is therefore not entitled to a tax deduction for the consideration paid over and above the seller's tax values. In accordance with IAS 12 paragraphs 15 and 24, a provision is made for deferred tax corresponding to the difference between the acquisition cost and the transferred tax depreciation basis. The offsetting entry is goodwill. Hence, goodwill arises as a technical effect of deferred tax.

Exploration costs for oil and gas properties

The company uses a "modified full cost method" to account for exploration costs. All exploration costs directly related to areas where Lime holds an interest is capitalized. As a rule, each license constitutes one cost area, but in areas where two or more licences have boundaries against each other, it may be natural to view multiple licences together as a separate cost area. A cost area will be tested for impairment if facts and circumstances suggest that the carrying amount of the asset(s) on the area may exceed its recoverable amount. Typical facts and circumstances that would indicate that a cost area should be tested for impairment are:

- the right to explore in the specific area has expired or will expire in the near future and is not expected to be renewed.
- further exploration in the specific area is neither budgeted nor planned.
- commercially viable reserves have not been discovered and the company plans to discontinue activities in the specific area, and
- existing data shows that the carrying amount of the asset(s) will not be recovered in full through development activity.

Interests in joint arrangements

The company applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor.

The company has assets in licences which are not incorporated entities. All of these are related to licences on the Norwegian Continental Shelf. The company has classified these joint arrangements as joint operations. The company accounts for its share of assets, liabilities, income and expenses, debt and cash flow under the respective items in the company's financial statements.

Impairment of assets

Property, plant and equipment and other non-current assets are subject to impairment testing when there is an indication that the assets may be impaired. The company makes such assessment on each reporting date. If an indication exist, an impairment test where the company estimates the recoverable amount of the asset is performed.

The recoverable amount is the higher of fair value less expected cost to sell and value in use. If the carrying amount of an asset is higher than the recoverable amount, an impairment loss is recognised in the income statement. The impairment loss is the amount by which the carrying amount of the asset exceeds the recoverable amount.

The value in use is determined as the discounted future net cash flows expected to be generated by the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows. For oil and gas properties, the field or license is typically considered as one cash generating unit. All other assets are assessed separately. An impairment loss on assets will be reversed when the recoverable amount exceeds the carrying

Acquisitions of interests in oil and gas licences

Acquisitions of interests in oil and gas licences or similar joint operations are accounted for according to IFRS 11. Where the joint operation constitutes a business, then this is accounted for in accordance with the principles in IFRS 3 Business Combinations (acquisition method). Identifiable assets acquired and liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If, following careful consideration, the consideration transferred is less than the fair value of the net identifiable assets of the joint operation acquired, such difference is recognised directly in profit or loss. Acquisitions of interests in oil and gas licences or similar joint operations where the joint operation is not considered to be a business, are accounted for as acquisitions of assets. The consideration for the interest is allocated to individual assets and liabilities acquired.

Swaps

Swaps of assets are calculated at the fair value of the asset being surrendered, unless the transaction lacks commercial substance, or neither the fair value of the asset received, nor the fair value of the asset surrendered, can be effectively measured. In the exploration phase, the company normally recognizes swaps based on carrying value of the asset being surrendered, as the fair value cannot be reliably measured.

Leases (as lessee)
IFRS 16 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For each contract that meets this definition, IFRS 16 requires lessees to recognize a right-of-use asset and a lease liability in the balance sheet with certain exemptions for short term and low value leases. Lease payments are to be reflected as interest expense and a reduction of lease liabilities, while the right-of-use assets are to be depreciated over the shorter of the lease term and the assets' useful life. Lease liabilities are measured at the present value of remaining lease payments, discounted using the Company's calculated borrowing rate. Right-of-use assets are measured at an amount equal to the lease liability at initial recognition.

Overlift and underlift of petroleum products
Overlift and underlift is calculated as the difference between the company's share of production and its actual sales and are classified as current assets and current liabilities respectively. If accumulated production exceeds accumulated sales, there is an underlift (asset) and if accumulated sales exceed accumulated production there is an overlift (liability).

Over/underlift balances are measured at the lower of production cost including depreciation and net realizable value.Changes in over/underlift balances are presented as part of operating expense in the income statement.

Spare parts, equipment and inventory
Inventories of petroleum products are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out method and comprises direct purchase costs, cost of production, transportation and processing expenses. Inventories of spare parts and consumables are valued at the lower of cost price (based on weighted average cost) and net realisable value. Capital spare parts are accounted for under the same principles as property, plant and equipment.

Receivables
Trade receivables are recognized in the Balance Sheet at their transaction price after a deduction for the provision for credit losses. Historically there have been no significant credit losses.

Cash and cash equivalents
Cash and the equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

Borrowings
All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction/issue costs associated with the borrowing. After initial recognition, interests-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the consideration received net of transaction/issue costs associated with the borrowing and the redemption value, is recognised in the income statement over the term of the loan.

Income taxes
Income taxes for the period comprise tax payable, refundable tax from refund tax value of petroleum expenses and other refunds as presented in note 9 and changes in deferred tax.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are calculated on the basis of existing temporary differences between the carrying amounts of assets and liabilities in the financial statement and their tax bases, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to exist when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that the deferred tax asset can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Uplift
Uplift is a special income deduction in the basis for calculation of the special tax relief. The uplift is calculated on the basis of the original capitalised cost of offshore production installations and generally amounts to 5.2% of the investment per year. The uplift may be deducted from taxable income for a period of four years (i.e. in total 20.8% over four years), starting in the year in which the capital expenditures incur. The tax effect on uplift is recognised when the deduction is included in the current year tax return and impacts taxes payable. Unused uplift may be carried forward indefinitely.

Provisions
A provision is recognised when the company has a present legal or constructive obligation as a result of past events, it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to

reflect the current best estimate. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as finance cost.

The company recognises a provision and an expense for severance payment when there exists a legal obligation to pay severance payment.

Asset retirement obligations
The company recognises an asset retirement obligation when the oil and gas installations are installed or at the later date when the obligation is incurred. The obligation is measured at the present value of the estimated future expenditures determined in accordance with current technology, local conditions and requirements for the dismantlement or removal of oil and gas installations.
Applicable asset retirement costs are capitalised as part of the carrying value of the tangible fixed asset and are depreciated over the useful life of the asset (i.e., unit-of-production method). The liability is accreted for the change in its present value on each balance sheet date. The accretion effect is classified as financial expense. The asset retirement provision and the discount rate are reviewed at each balance sheet date.

Trade creditors
Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Contingent liabilities
Contingent liabilities are not recognised in the financial statements. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

Segment reporting
The company has identified its reportable segment based on the nature of the risk and return within its business. The company's only business segment is exploration for and development/production of oil and gas on the Norwegian continental shelf. Based on this no segment note is presented and this is in accordance with management's reporting.

Cost of equity transactions
Transaction costs directly linked to an equity transaction are recognised directly in equity, net after deducting tax.

Cash flow statement
The cash flow statement is prepared by using the indirect method.

Events after the balance sheet date
The financial statements are adjusted to reflect events after the balance sheet date that provide evidence of conditions that existed at the balance sheet date (adjusting events). The financial statements are not adjusted to reflect events after the balance sheet date that are indicative of conditions that arose after the balance sheet date (non-adjusting events). Non-adjusting events are disclosed if significant.

New and amended standards and interpretations adopted by the company
No new standards and amendments to standards and interpretations were effective from 1 January 2022.

New and amended standards and interpretations issued but not adopted
New standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2023 and have not been applied in preparing these financial statements. None of these are expected to have any significant impact on the company's financial statements.

Note 3 Financial risk management

Financial risks
Exploration for, development and production activities in oil and gas involves a high degree of risk, and the company is subject to the general risk factors pertaining to this business, such as (i) volatility of oil and gas prices, (ii) uncertainty pertaining to estimated oil and gas reserves, (iii) operational risk related to oil and gas exploration and production (iv) volatility in exchange rates. Furthermore, only few prospects that are explored are ultimately developed into production.

Furthermore, the company is exposed to financial risks in relation to receivables, loans, accounts payable and drawing rights to financial institutions. The business activities of the company involve exposure to credit risk, interest rate risk, liquidity risk and currency risk The company is exposed to exchange rate fluctuations as exploration, development and production operations including revenues are partly in foreign currency, primarily in USD, whilst the loan agreement is in NOK. See note 16 for further information.

Critical accounting estimates and judgements
The preparation of the financial statements in accordance with IFRS, requires management to make judgements, use estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis.

Estimates and assumptions which represent a considerable risk for material changes in carrying amounts of assets and liabilities during the next fiscal year, are presented below.

a)Taxes
Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income.

The Norwegian entities are subject to the Norwegian oil taxation regime which involves an allocation of indirect costs to exploration expenses as items allowable for tax deductions and subsequent tax refunds. The allocation and the calculated tax receivable are based on judgments and understanding by the company regarding items allowable for tax deduction, and the view may differ from the Norwegian Authorities' practice in the final settlement of the tax refund.

Judgement is also required in determining whether deferred income tax assets are recognised in the statement of financial position. Deferred income tax assets, including those arising from un-utilised tax losses, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods, in order to utilise recognised deferred income tax assets. See note 9.

Critical judgements in applying the Company's accounting policies
Management has made judgements also in the process of applying the Company's accounting policies. Such judgements with the most significant effect on the amounts recognised in the financial statements are presented in the following:

a) Accounting policy for exploration expenses
The company uses a "modified full cost method" to account for exploration costs. All exploration costs directly related to areas where the company holds an interest are initially capitalised in cost centres by well, field or exploration area, as appropriate.

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. These estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. Circumstances may suggest that the carrying amount may exceed the recoverable value of the asset, and such assessment of circumstances involves judgment as to likely future commerciality of the asset and also when such commerciality should be determined.

b) Asset retirement obligations
Production of oil and gas is subject to statutory requirements relating to decommissioning and removal. Provisions to cover such future asset retirement obligations is recognised at the time the statutory requirement arises, which is defined as when the equipment has been installed or a well has been drilled. The estimates are uncertain and may vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing and amount of expenditure can also change, for example in response the changes in reserves or changes in laws and regulations or their interpretation. A premise in the estimation for the future obligations is current technology and market conditions. As such, there is also inherent risk related to future developments in technology and market prices. Furthermore, future price levels, market conditions and development in technology can impact the timing of the closing of production and thus the timing of abandonment. The company is reviewing the estimates and assumptions related to asset retirement obligations to ensure the financial statements reflect the company's best estimate at any reporting date.

Note 4 Operating income

(Amounts in TNOK)	**2022**	**2021**
Sale of oil	751 351	0
Sale of gas	196 176	0
Total revenues from crude oil and gas sale	947 527	0

Note 5 Production cost and changes in over-/underlift position

Production costs, excl. DD&A:

(Amounts in TNOK)	**2022**	**2021**
From licences	422 301	0
Other production costs (transportation)	33 108	0
Total production costs	**455 409**	**0**

Production costs per Barrels of oil equivalents (boe):	2022	2021
Production costs (NOK)	455 409	0
Produced volumes (boe)	899 691	0
Production costs per boe (NOK) (1)	**506**	**0**

[1] Barrels of oil equivalents (=boe)

Changes in over-/underlift positions:

(Volumes in boe)	**2022**	**2021**
Over-/underlift, opening balance	-30 599	0
Produced volumes	899 691	0
Acquisition through business combination	57 070	-30 599
Net sold volumes	-873 607	0
Over-/underlift, closing balance	**52 554**	**-30 599**

Note 6 Exploration Expenses

(Amounts in TNOK)	**2022**	**2021**
Direct seismic costs and field evaluation	7 546	3 752
Geological and geophysical costs	15 044	13 256
Consultants exploration	3 063	7 835
Other operating exploration expenses	5 502	5 084
Total exploration expenses	**31 154**	**29 928**

Note 7 Payroll and related cost

(Amounts in TNOK)	**2022**	**2021**
Salaries employees	24 909	15 810
Director's fee	4 498	15 059
Consultancy fees, hours invoiced to other companies	-1 461	-1 628
Social security	4 553	4 546
Pension costs	2 804	1 275
Share-based payment	0	665
Other employee related expenses	819	115
Total	**36 121**	**35 843**
Average number of employees	17	10

Remuneration to board of directors and management:
See information in note 23 Related party disclosure regarding remuneration of key management and note 18 Share capital regarding share-based bonus program for key management.

Pensions
The Company has a defined contribution pension plan for its employees which satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").

Share-based payment
The Company has had a share-based payment plan for key employees as originally approved on 28 November 2014. In November 2021 the plan was decided cancelled.

Note 8 Other operating expenses

Other operating expenses include:

(Amounts in TNOK)	**2022**	**2021**
Travelling expenses	182	195
Consultant's and other fees [1)]	23 427	11 206
Other administrative expenses	20 436	1 677
Total	**44 045**	**13 078**

[1)] Fees includes payments to related parties. See note 23 for further information.

Remuneration to auditor is allocated as specified below:

(Amounts in TNOK)	**2022**	**2021**
Audit	837	360
Attestations	156	186
Other assistance	1 137	95
Total, excl. VAT	**2 129**	**642**

Note 9 Finance income and costs

Finance income:

(Amounts in TNOK)	**2022**	**2021**
Interest income	5 446	20
Net Foreign exchange effects	7 850	407
Other finance income	8 195	0
Total finance income	**21 490**	**427**

Finance costs:

(Amounts in TNOK)	**2022**	**2021**
Interest expense on loan from parent companies	9 662	5 445
Interest expenses other loans and borrowings	98 875	28 418
Other finance costs [1]	46 471	205
Total finance costs	155 008	34 068
Net financial items	**-133 518**	**-33 641**

[1] Other finance costs includes extra cost related to redemption of bonds in 2022. Reference is made to note 20 Interest-bearing loans and borrowings.

Note 10 Tax

Specification of income tax:

(Amounts in TNOK)	2022	2021
Calculated refund tax value	556 235	150 252
Calculated tax refund due to the temporary change in the tax rules this year	0	213 332
Of this refund not recognised in income statement (acquisition of licences recognised net of tax)	-192 650	-197 454
Correction refund previous years	15 615	14
Change deferred tax	-312 324	-84 360
Total income tax credit	**66 876**	**81 785**

Specification of tax receivable refund:

(Amounts in TNOK)	2022	2021
Calculated refund tax this year	556 235	363 584
Received prepaid payable tax, short term ("negativ terminskatt")	0	-8 096
Total tax receivable refund tax value exploration expenses and other expenses	**556 235**	**355 488**

Specification of tax effects on temporary differences, tax losses carried forward and deferred tax:

(Amounts in TNOK)	2022	2021
Capitalised exploration and licence costs	-212 301	-332 263
Capitalised fields in production	-508 179	-183 616
Temporay differences other non current assets	201	-2 505
Temporay differences current assets	-141 507	-31 711
Provisions, ARO, leasing liabilities	155 168	128 433
Non-current borrowings	-10 266	0
Tax losses carried forward, onshore	165	165
Tax losses carried forward, offshore 22 % basis	59 776	27 995
Tax losses carried forward, 56 % basis	0	33 889
Deferred tax liability (-) / tax asset (+)	-656 944	-359 612
Not capitalised deferred tax asset (valuation allowance)	-165	-165
Deferred tax liability (-) / tax asset (+) in balance sheet	**-657 109**	**-359 777**

Change in deferred taxes:

Correction refund previous years, assessed but not settled (amounts in TNOK)	2022	2021
Deferred taxes recorded in income statement	-312 324	-84 360
Deferred taxes recorded in balance sheet on acquisition of licences	**14 992**	**-162 852**
Total change in deferred taxes	-297 332	-247 213

Deferred tax is calculated based on tax rates applicable on the balance sheet date. Ordinary income tax is 22 %, to which is added a special tax for oil and gas companies at the rate of 56.004 %, giving a total tax rate of 78.004%.

Reconciliation of effective tax rate:

(Amounts in TNOK)	**2022**	**2021**
Profit (loss) before tax	-147 380	37 880
Expected income tax at tax rate 78.004% (2021: 78%)	114 962	-29 546
Adjusted for tax effects (22%-78.004%) of the following items:		
Permanent differences; Non taxable items	-5 781	125 334
Permanent differences; capitalized deferred tax as part of acquisition cost	-3 075	-2 025
Effect of uplift	17 274	-588
Finance items	-68 168	-11 405
Adjustment previous years and other	11 686	16
Effect of new tax rates on deferred tax	-23	0
Total income tax credit	**66 876**	**81 785**

Note 11 Goodwill, exploration and evaluation assets

(Amounts in TNOK)	Exploration and evaluation assets	Technical goodwill	Ordinary goodwill	Total goodwill
2022				
Cost:				
At 1 January 2021	934 683	0	0	0
Additions	118 055	0	0	0
Business combination (1)	0	177 257	136 229	313 486
Disposals/ retirements	0	0	0	0
Cost at 31 December 2022	1 052 739	177 257	136 229	313 486
Depreciation and impairment losses				
At 1 January 2022	579 674	0	0	0
Depreciation this year	0	0	0	0
Impairment this year (2)	232 705	0	0	0
Disposals/ retirements	0	0	0	0
Accumulated amortisation and impairment at 31 December 2021	812 379	0	0	0
Carrying amount at 31 December 2022	**240 360**	**177 257**	**136 229**	**313 486**

(1) Reference is made to Note 12 Business Combination IFRS 3.
(2) Reference is made to Operational review in the Directors` Report.

Exploration and evaluation assets: The assets have been evaluated according to IFRS 6. Typical facts and circumstances that would indicate that a cost area should be tested for impairment are: • The right to explore in the specific area has expired or will expire in the near future and is not expected to be renewed • Further exploration in the specific area is neither budgeted or planned • Commercially viable reserves have not been discovered and the company plans to discontinue activities in the specific area and • Existing data shows that the carrying amount of the asset(s) will not be recovered in full through development activity.

(Amounts in TNOK)	**Exploration and evaluation assets**	**Technical goodwill**	**Ordinary goodwill**	**Total goodwill**
2021				
Cost:				
At 1 January 2021	817 441	0	0	0
Additions	225 768	0	0	0
Business combination [(1)]	0	0	0	0
Disposals/ retirements	-108 526	0	0	0
Cost at 31 December 2021	934 683	0	0	0
Depreciation and impairment losses				
At 1 January 2021	570 928	0	0	0
Depreciation this year	0	0	0	0
Impariment this year [(2)]	8 745	0	0	0
Disposals/ retirements	0	0	0	0
Accumulated amortisation and impairment at 31 December 2021	579 674	0	0	0
Carrying amount at 31 December 2021	**355 010**	**0**	**0**	**0**

[(1)] Reference is made to Note 12 Business Combination IFRS 3.
[(2)] Impairment in 2021 is related to PL1062 which was decided relinquished in Q4 2021.

Note 12 Business combination IFRS 3

Acquisitions in 2022

Acquisition of a 10.00% interest in Yme

On 23 December 2022 the Company completed the acquisition of a 10.00% working interest in Yme from KUFPEC Norway AS.

The acquisition was financed through the issuance of a NOK 950 million secured bond loan in July 2022.

The transaction has been determined to constitute a business combination and has been accounted for using the acquisition method of accounting as required by IFRS 3. The economic date of the transaction, which will be used for tax purposes, is 1 January 2022. The acquisition date for accounting purposes (transfer of control) has been determined to be 31 December 2022.
A preliminary purchase price allocation (PPA) has been performed and all identified assets and liabilities have been measured at their acquisition date fair values in accordance with the requirements of IFRS 3. The agreed (purchase price) is USD 68.1 million (NOK 670.8 million). Adjusted for interim period adjustments and working capital, the total purchase price is estimated to USD 84.1 million (NOK 828.5 million) .

At this stage, the purchase price allocation is preliminary due to the complexity of the transaction and the fact that Lime is in the process of performing a detailed review of the final completion statement prepared by the seller. Twelve months after the completion, no additional payments have been made, a legal dispute is put in process. The fair values of the identifiable assets and liabilities in the transaction as at the date of the acquisition have been estimated as follows:

Amounts in:	USD '000	NOK '000
Purchase price :	**84 052**	**828 522[2]**
Oil and gas properties in production	54 825	540 426
Abandonment retirement obligation	(22 445)	(221 244)
Deferred tax asset	1 521	14 992
Tax receivable	19 232	189 575
Stocks	3 956	38 994
Prepayments	127	1 254
Accounts payables, VAT and Accruals	(11 550)	(113 856)
Over-/undercall	1 680	16 564
Over/Underlift	4 903	48 330
Total allocated to assets and liabilities	**52 249**	**515 035**
Goodwill (residual)[1]	**31 802**	**313 486**
"Ordinary" goodwill	13 820	136 229
"Technical" goodwill	17 982	177 257

[1] The ordinary goodwill consists largely of elements from the existing business plan and expected future development of the acquired oilfield. Technical goodwill arising from the special tax rules for oilfields. Lime will receive the majority of the cash flow in 2023 and 2024, after which there will be no goodwill left on the field. An impairment of the goodwill is likely to happen within that period. The capitalised goodwill is not deductible for tax purposes.

The acquired licences did not contribute to any income or profit before tax in 2022,The legal cost related to Yme transaction (incurred acquisition-related costs) of NOK 2.1 million/USD 0.21 million is expensed in P/L in 2022. A preliminary estimation of the impact from the transaction indicates that if the acquisition had taken place at the beginning of the year, total revenues for the year would have been approximately NOK 291.5 million higher and loss before tax would have been approximately NOK 18.5 million higher.

[2] TNOK 289 940 was paid 3 April 2023. TNOK 538.582 was paid at closing on 23 December 2022. Reference is made to note 22.

Acquisitions in 2021

Acquisition of a 33.8434% interest in Brage Unit

On 29 December 2021 the Company completed the acquisition of a 33.8434% working interest in Brage Unit from Repsol Norge AS.

The acquisition was financed through the issuance of a NOK 500 million secured bond loan in July 2021.

The transaction has been determined to constitute a business combination and has been accounted for using the acquisition method of accounting as required by IFRS 3. The economic date of the transaction, which will be used for tax purposes, is 1 January 2021. The acquisition date for accounting purposes (transfer of control) has been determined to be 31 December 2021.

A preliminary purchase price allocation (PPA) has been performed and all identified assets and liabilities have been measured at their acquisition date fair values in accordance with the requirements of IFRS 3. The agreed purchase price is USD 42.6 million (NOK 376.3 million). Adjusted for interim period adjustments and working capital, the total cash consideration is estimated to USD 41.3 million (NOK 364,9 million).

The acquired licences did not contribute to any income or profit before tax in 2021, other than the recognition of gain from bargain purchase because the acquisition took place at 31 December 2021. In addition, expenses related to the acquisition of Brage Unit NOK 1.8 million are expensed as "Other operating expenses". A preliminary estimation of the impact from the transaction indicates that if the acquisition had taken place at the beginning of the year, total revenues for the year would have been approximately NOK 657.8 million higher and profit before tax would have been approximately NOK 280.6 million higher. This includes operating and production costs of NOK 307.8 million and DD&A (depreciation depletion and amortisation) and amortisations of NOK 69.4 million.

At this stage, the purchase price allocation is preliminary due to the complexity of the transaction and the fact that Lime is in the process of performing a detailed review of the final completion statement prepared by the seller. No additional payments have been made, The fair values of the identifiable assets and liabilities in the transaction as at the date of the acquisition have been estimated as follows:

Amounts in:	**USD '000**	**NOK '000**
Purchase :	**41 306**	**364 888**
Oil and gas properties in production	82 374	727 670
Abandonment retirement obligation	(189 594)	(1 674 828)
Receivable on seller [1]	166 767	1 473 184
Deferred tax liability	(18 435)	(162 852)
Tax receivable	21 310	188 250
Stocks	11 144	98 442
Prepayments	1 874	16 557
Accounts payables, VAT and Accruals	(7 571)	(66 883)
Over-/undercall	(5 742)	(50 719)
Over/Underlift	(2 632)	(23 248)
Total allocated to assets and liabilities	**59 496**	**525 572**
Gain from bargain purchase [2]	**(18 190)**	**(160 684)**
"Ordinary" goodwill	(52 022)	(459 555)
"Technical" goodwill	33 833	298 870

[1] The parties have agreed that the seller shall cover the costs of decommissioning, plugging and abandonment of the acquired oilfields at the time of cease of production limited to an agreed cap.

[2]) The ordinary goodwill consists largely of elements from the existing business plan and expected future development of the acquired oilfield. Technical goodwill arising from the special tax rules for oilfields. The negative Goodwill at acquisition, NOK 160.7 million, has been recognised as a "Bargaign" gain in operating income and profit before tax. None of the goodwill recognized will be taxable for income tax purposes.

The acquired licences did not contribute to any income or profit before tax in 2021, other than the recognition of "Negative" Goodwill, because the acquisition took place at 31 December 2021. A preliminary estimation of the impact from the transaction indicates that if the acquisition had taken place at the beginning of the year, total revenues for the year would have been approximately NOK 657.8 million higher and profit before tax would have been approximately NOK 280.6 million higher.

Note 13 Oil and gas properties, furniture, fixtures and office machines

(Amounts in TNOK)	**Oil and gas properties in production**	**Furniture, fixtures and office machines**
2022		
Cost:		
At 1 January 2022	727 670	4 391
Additions	428 462	526
Business combination [1]	540 426	0
Disposals	0	0
Cost at 31 December 2022	1 696 558	4 917
Depreciation and impairment:		
At 1 January 2022	0	-3 729
Depreciation this year [2]	-178 356	-412
Impairment this year	0	0
Disposals	0	0
Accumulated amortisation and impairment at 31 December 2022	-178 356	-4 142
Carrying amount at 31 December 2022	**1 518 202**	**775**

[1] Reference is made to Note 12 Business Combination IFRS 3.
[2] TNOK 90 of depreciation is included in Exploration expenses.

(Amounts in TNOK)	**Oil and gas properties in production**	**Furniture, fixtures and office machines**
2021		
Cost:		
At 1 January 2021	0	4 340
Additions	0	51
Business combination (1)	727 670	0
Disposals	0	0
Cost at 31 December 2021	727 670	4 391
Depreciation and impairment:		
At 1 January 2021	0	-3 382
Depreciation this year [2]	0	-348
Impairment this year	0	0
Disposals	0	0
Accumulated amortisation and impairment at 31 December 2021	0	-3 729
Carrying amount at 31 December 2021	**727 670**	**661**

[1] Reference is made to Note 12 Business Combination IFRS 3.
[2] TNOK 67 of depreciation is included in Exploration expenses.

Depreciation plan	Unit of Production	linear
Estimated useful life (years)	N/A	3 - 5

Oil and gas properties: The amortisation method is Unit of Production and the expected lifetime of the assets is 2030 and 2035.

Note 14 Right-of-use assets

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

(Amounts in TNOK)

Right-of-use assets	**Office facilities**
Acquisition cost 1 January 2022	6 123
Addition of right-of-use assets	7 665
Disposal of right-of-use assets	-6 123
Acquisition cost 31 December 2022	7 665
Accumulated depreciation and impairment 1 January 2022	-3 867
Depreciation	-1 350
Impairment	0
Disposal	4 834
Accumulated depreciation and impairment 31 December 2022	-383
Carrying amount of right-of-use assets 31 December 2022	**7 282**
Lower of remaining lease term or economic life	4.75 years
Depreciation method	Linear
Acquisition cost at 1 January 2021	6 123
Addition of right-of-use assets	0
Disposal of right-of-use assets	0
Acquisition cost 31 December 2021	6 123
Accumulated depreciation and impairment 1 January 2021	-2 578
Depreciation	-1 289
Impairment	0
Disposal	0
Accumulated depreciation and impairment 31 December 2021	-3 867
Carrying amount of right-of-use assets 31 December 2021	**2 256**
Lower of remaining lease term or economic life	4.75 years
Depreciation method	Linear

Leasing liabilities:	
Lease liabilities 1 January 2022	2 340
Additions new lease contracts	7 665
Disposal	- 1 312
Accretion lease liabilities	370
Payments of lease liabilities	-1 685
Total leasing liabilities 31 December 2022	**7 378**

Break down of lease debt:	
Short-term	1 982
Long-term	5 396
Total lease debt	**7 378**

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

	31/12/2022
Within 1 year	1 982
1 to 5 years	7 269
After 5 years	-
Total	**9 251**

Lease liabilities 1 January 2021	3 632
Additions new lease contracts	0
Disposal	0
Accretion lease liabilities	78
Payments of lease liabilities	-1 370
Total leasing liabilities 31 December 2021	**2 340**

Break down of lease debt:	
Short-term	1 370
Long-term	969
Total lease debt	**2 340**

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

	31/12/2021
Within 1 year	1 370
1 to 5 years	2 398
After 5 years	-
Total	**3 768**

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

Note 15 Non-current receivables

(Amounts in TNOK)	2022	2021
Non-current receivables at 1 January	1 473 184	0
Changes in estimates	32 040	0
Effect of change in the discount rate	-215 552	0
Unwinding of discount	41 691	0
Business combination	0	1 473 184
Total	**1 331 363**	**1 473 184**

The non-current receivable is related to the Acquisition of 33.8434 per cent share in Brage field in 2021 from Repsol Norge AS. The parties have agreed that the seller shall cover 95% of the costs of decommissioning, plugging and abandonment (ABEX) of the Brage NOK 2 260 million. Lime Petroleum AS will pay an effective 1.69% of the total estimated decommissioning costs for the current Brage field, in respect of its 33.8434 per cent share in Brage field. The abandonment retirement obligation (ARO) is calculated based on a nominal ABEX estimate of NOK 2 134 million, with decommissioning in 2029-2034 and an ARO discount rate of 3.2% equivalent to the risk free interest rate. Since the expected future nominal ABEX is below the cap of NOK 2 260 million, the decommissioning receivable is calculated by discounting NOK 2 027 million (95% of NOK 2 134 million) with a discount rate of 4.2%. The discount rate for the receivable is equivalent to the discount rate for the ARO plus the estimated credit spread for Repsol, see also note 19.

Note 16 Prepayments and other receivables

Prepayments and other receivables include:

(Amounts in TNOK)	2022	2021
Accounts receivable	33 142	0
Accrued revenue	14 306	0
Underlift of petroleum products	43 827	0
Working capital and receivable, joint operations/licences	161 383	33 054
Prepaid expenses	1 909	15 791
VAT receivables	2 027	1 903
Receivables from group companies	624	687
Other short term receivables	15	188
Total	**257 234**	**51 623**

Note 17 Cash and cash equivalents

(Amounts in TNOK)	**2022**	**2021**
Bank deposits	405 898	146 262
Total cash and cash equivalents	**405 898**	**146 262**
Of this:		
Restricted cash for "Tax Refund Threshold" according to Bond Terms	0	77 556
Restricted cash for withheld taxes from employees salaries	1 772	3 467
Restricted cash for deposit office lease	869	868
Restricted cash for interest reserve on bank loan	0	0
Other financial asset - restricted cash	**87 500**	**84 500**
The amount is related to Brage abandonment liability [1)]		

[1)] In 2021, the company provided a Letter of Credit (LoC) issued by Skandinaviska Enskilda Banken AB of the amount of NOK 84,500,000 to Repsol Norge AS to guarantee for the Brage abandonment obligations according to the Decomissioning Security Agreement. LoC was signed 31 December 2021 and the expire date is the date falling 364 days after the day of the LoC. On 15 December 2022, an extension and amendment to the LoC was made, increasing the amount to NOK 87,500,000 effective from 31 December 2022. The expiry date was extended by 364 days from the previous Expiry Date so that the new expiry date is 29 December 2023.

Note 18 Share capital and shareholder information

Movements in share capital (amounts in NOK)	Number of shares	Share capital
Share capital at 1 January 2021	130 320 000	130 320 000
Capital increase in 2021	0	0
End balance at 31 December 2021	**130 320 000**	**130 320 000**
Share capital at 1 January 2022	130 320 000	130 320 000
Capital increase registered in 2022	86 580 087	86 580 087
End balance at 31 December 2022	**216 900 087**	**216 900 087**

The share capital is denominated in NOK, and the nominal value per share as of 31 December 2022 was NOK 1. All issued shares are of equal rights.

Shareholders as of 31 December 2022	Shares	Ownership
Schroder & Co Banque SA	18 107 068	8,3 %
Rex International Investments Pte. Ltd	198 793 019	91,7 %
Total number of shares	**216 900 087**	**100,0 %**

Rex International Investments Pte. Ltd is a wholly owned subsidiary of Rex International Holding Ltd. Board member Svein Helge Kjellesvik is a shareholder in Rex International Holding Ltd.

Note 19 Asset retirement obligations

(Amounts in TNOK)	2022	2021
Non-current provision at 1 January	1 674 828	0
Changes in estimates	52 706	0
Effect of change in the discount rate	-191 571	0
Unwinding of discount	33 497	0
Business combination [1]	221 244	1 674 828
Total	**1 790 703**	**1 674 828**

[1] The abandonment retirement obligation (ARO), arising from the business combination in 2022, is calculated based on a nominal ABEX estimate of NOK 251 million, with decommissioning in 2034-2040 and an ARO discount rate of 3.2% equivalent to the risk free interest rate.

Provisions for asset retirement obligations represent the future expected costs for close-down and removal of oil equipment and production facilities. The provision is based on the company's best estimate. The net present value of the estimated obligation is calculated using a discount rate of 3.2% (year end 2022: 2%). The assumptions are based on the economic environment at the balance sheet date. Actual asset retirement costs will ultimately depend upon future market prices for the necessary works which will reflect market conditions at the relevant time. Furthermore, the timing of the close-down is likely to depend on when the field ceases to produce at economically viable rates. This in turn will depend upon future oil and gas prices, which are inherently uncertain.

See also note 15 regarding the decommissioning receivable regarding the acquisition of Brage field in 2021.

Note 20 Interest-bearing loans and borrowings

(Amounts in TNOK)	**Presentation in balance**	**2022**	**2021**
Bond loan, principal amount drawn	Non-current	950 000	500 000
Bond loan, short-term	Non-current	-46 665	-9 923
Bond loan; Capitalised arrangement fee (subject to amortisation)	Non-current	-137 156	-75 000
Shareholder loan incl. capitalized interest, amount drawn in NOK	Non-current	152 111	93 412
Carrying amount		**918 289**	**508 489**

(Amounts in TNOK)	**Presentation in balance**	**2021**	**2020**
Bond loan, short-term	Current	137 156	75 000
Carrying amount		**137 156**	**75 000**

Senior Secured NOK 1,250,000 Bonds 2022/2025 ISIN NO0012559246

In July 2022 Lime Petroleum AS ("Lime") resolved to issue a series of bonds up to a maximum issue amount of NOK 1,250,000 with different issue dates. On 4 July 2022, Lime Petroleum AS competed the issuance of NOK 950,000,000 worth of 3 year senior secured bonds. The first release of NOK 500,000,000 took place in July 2022 and the proceeds was used for repayment of the current bond at that time as Lime terminated and repaid the Senior Secured Bond Issue 2021/2024 ISIN NO0011037343 established in July 2021. The reverse greenshoe auction was carried out in October 2022, no offers were made and NOK 100,000,000 was transferred to Lime. The final release of NOK 350,000,000 took place at Yme Closing in December 2022. The bonds bear an interest rate of 3 months Norwegian interbank offered rate ("NIBOR") plus margin of 9.25 per annum. The bonds were issued at 97 per cent of the nominal amount. Interests and redemption of bonds are repayable in quarterly instalments, with first repayment in July 2023. The final maturity date of the bonds is 7 July 2025.

The conversion rights in relation to the put option and call option set out in the Bond Terms are considered to be embedded derivatives but evaluated to be immaterial so not bifurcated and accounted for separately.

Redemption of Bonds:
On each Interest Payment Date from and including the Interest Payment Date in July 2023 to and including the Interest Payment Date in April 2025 (i.e., 8 consecutive quarterly instalments) with an amount equal to 7.5 per cent. of the Net Issued Amount; and on the Maturity Date, the remaining Outstanding Bonds will be redeemed in full, in each case at a price of 100.00 per cent of Nominal Amount of Bonds being redeemed (plus, accrued interest on the redeemed Bonds).

From the closing date of the Yme transaction, the Company shall ensure to comply with the following covenants related to the Senior Secured Bond Issue 2022/2025 ISIN NO0012559246:

(i) Minimum Liquidity: The Issuer shall at all times maintain a minimum Liquidity of no less than 10 per cent. of the Outstanding Debt.

(ii) Maximum Leverage Ratio: The Issuer shall, in respect of any Calculation Date, maintain a Leverage Ratio not exceeding 2.25:1. Leverage ratio means the ratio of Net Debt to EBITDA. The calculation Date means each 30 June and 31 December.

(i) Minimum liquidity per 31.12.2021
Aggregate amount standing on Accounts excluding Escrow Account TNOK 110 897
(Bond loan NOK 950 million x 10% = NOK 95 million)

(ii) Leverage Ratio per 31.12.2022

EBITDA 31.12.2022	MNOK
Operating profit (-loss)	-13 862
Depreciation	180 118
Amortisation	232 156
EBITDA Lime	**398 411**
Proforma EBITDA Yme Assets according. to Bond Terms (ref. specification in table below)	52 569
EBITDA 31.12.2022	**450 980**
NET DEBT 31.12.2022	
Bond loan Principal amount	950 000
Cash deposit Decommissioning Security Agreement	-87 500
Total cash and cash equivalents	-110 897
NET DEBT 31.12.2022	**751 602**
Leverage Ratio: Net Debt/EBITDA <2.25	1,67

(TNOK)	**Yme per Dec**
Oil sales license ref. December billing	164 498
Underlift per 31.12 (no lifting in December)	48 300
Oil sales cargoes ref. completion settlement	126 994
OPEX ref. December billing	287 223
	52 569

Net Debt means the aggregate amount of all obligations of the company excluding shareholder loans and less cash deposits on the DSRA, and any liquidity of the company.

Senior Secured NOK 500,000,000 Bonds 2021/2024 ISIN NO00111037343

The Senior Secured Bond NOK 500,000,000 established 9 July 2021 with maturity in January 2024 was terminated and repaid in July 2022 when the new Senior Secured Bond NOK 1,250,000 bonds was resolved. The repayment of the bonds was made in full pursuant to the applicable provisions according to Bond Terms "Early Redemption" and "Make Whole". The make whole rate was calculated to 108.34409%.

Credit facility

The Company had until August 2021 a Revolving Exploration Financing Facility (EFF) agreement of NOK 350 000 000 with Skandinaviska Enskilda Banken AB (SEB). The facility ran until December 2021, under the condition that the debt as at 31 December 2021 should be repaid in December next year following receipt of tax refund. The debt was therefore classified as current liability. The agreed interest rate was three month NIBOR + 2.0 %.The EFF with Skandinaviska Enskilda Banken AB originally dated in November 2013, was repaid and cancelled 31 August 2021.

Shareholder loan agreement

Lime has shareholder loan agreements with Rex International Investments Pte.Ltd. Conditional to the bond, the shareholder loan agreements still stands. By the amendment of shareholder loan facility agreements dated 20 December 2022, the maturity date was further extended to 25 July 2025. The total loan facility agreements had a balance of NOK 152.1 million on 31 December 2022.

Assets pledged as security

The Bond loan is for the lender secured by a first priority assignment of all shares issued by the Company, monetary claims under the Shareholder Loan Agreement, mortage over the interest in the hydrocarbon licenses, monetary claims under the Company`s insurances, first priority charge over the bank accounts including Charged Account and floating charges over the trade receivables, operating assets and inventory.

Guarantee

Rex International Investments Pte. Ltd has provided a parent company guarantee to the Ministry of Petroleum and Energy on basis of the Norwegian Petroleum Act sec. 10-7.

Lime Petroleum AS has provided a Letter of Credit issued by Skandinaviska Enskilda Banken AB of the amount of NOK 87,500,000 to Repsol Norge AS according to the Decommissioning Security Agreement (DSA /Charged Account) dated 15.06.2021. The amount was increased from NOK 84,500,000 to NOK 87,500,000 in 2022.

Note 21 Financial instruments

Financial instruments by category
(Amounts in TNOK)

At 31 December 2022

Financial assets	Amortized cost	Total carrying amount
Non-current receivables	1 331 363	1 331 363
Trade and other receivables [1]	33 157	33 157
Receivables from group companies	624	624
Other financial asset - restricted cash	87 500	87 500
Cash and cash equivalents	405 898	405 898
Total	**1 858 542**	**1 858 542**

[1] Prepayments, VAT receivables, accrued receivables and tax receivables are not included.

Financial liabilities	Amortized cost	Total carrying amount
Borrowings, long term	918 289	918 289
Borrowings, short term	137 156	137 156
Trade creditors	43 713	43 713
Other current liabilities [1]	3 478	3 478
Total	**1 102 637**	**1 102 637**

[1] Public duties payable, tax payables and accrued expenses are not included.

At 31 December 2021

Financial assets	Amortized cost	Total carrying amount
Non-current receivables	1 473 184	1 473 184
Trade and other receivables [1]	188	188
Receivables from group companies	687	687
Other financial asset - restricted cash	84 500	84 500
Cash and cash equivalents	146 262	146 262
Total	**1 704 821**	**1 704 821**

[1] Public duties payable and accruals are not included

Financial liabilities	Amortized cost	Total carrying amount
Borrowings, long term	508 489	508 489
Borrowings, short term	75 000	75 000
Trade creditors	24 652	24 652
Other current liabilities [1]	12 151	12 151
Total	**620 292**	**620 292**

[1] Public duties payable and accruals are not included

Fair value of financial instruments
It is assessed that the carrying amounts of financial instruments recognized at amortized cost in the financial statements approximate their fair values.

Financial risk management

Overview

The Company has some exposure to risks from its use of financial instruments, including credit risk, liquidity risk, interest rate risk and currency risk. This note presents information about the Company's exposure to each of the above mentioned risks, and the Company's objectives, policies and processes for managing such risks. At the end of this note, information regarding the Company's capital management is provided.

Market risk from financial instruments

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest risk arises from its bond loan which has variable rates terms. As at 31 December 2022, if the interest rate had been 0,5% higher, the interest cost before tax would have been TNOK 4.750 higher (TNOK 2.500 in 2021)."

b) Foreign currency risk

The Company has limited exposure to currency risk from assets and liabilities recognised as at 31 December 2022, through trade receivables and payables denominated in USD and GBP. An increase in the exchange rate of 10 % would have resulted in a finance loss pre tax of TNOK 911 (TNOK 1.643 in 2021).

Credit risk

The carrying amounts of financial assets presented above represent the Company's maximum credit exposure. The counterparty to the cash and cash equivalents and other financial assets are large banks with solid credit ratings. The Company monitors the credit ratings of its main counterparties on a regular basis.

Liquidity risk Liquidity risk is the risk of being unable to pay financial liabilities as they fall due. The company's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its financial liabilities as they fall due, under normal as well as extraordinary circumstances, without incurring unacceptable losses or risking damage to the company's reputation. Prudent liquidity risk management implies maintaining sufficient cash and the availability of appropriate funding.

Lime develops short-term (12 months) and long-term forecasts to plan its liquidity. These forecasts are updated regularly for various scenarios, and form part of the decision basis for the company's management and board. The company's future capital requirements depend on many factors, and the company is closely monitoring the need for funds to fulfil its commitments related to exploration and development programs associated with the company`s license portfolio. It is a possibility to reduce future commitment by withdrawing from a license.

The following table details the contractual maturities for the company's financial liabilities. The tables includes amounts for both principal and interest payments. The contractual amounts were estimated based on closing exchange rate at balance sheet date.

At 31 December 2022

(Amounts in TNOK)	Less than 3 months	3 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Total
Shareholder loan	0	0	0	202 459	0	202 459
Bond loan	29 910	224 286	307 195	646 043	0	1 207 434
Trade creditors and other short term liabilities	44 030	3 162	0	0	0	47 192
Working capital and other debt, joint operations/licences	294 715	0	0	0	0	294 715
Prepayments from customers	0	296 784	0	0	0	296 784
Consideration from acquisitions of interests in licences	0	289 940	0	0	0	289 940
Total liabilities	**368 655**	**814 172**	**307 195**	**848 502**	**0**	**2 338 523**

At 31 December 2021

(Amounts in TNOK)	Less than 3 months	3 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Total
Shareholder loan	0	0	0	102 753	0	102 753
Borrowings, short term	11 223	110 027	163 875	300 438	0	585 563
Trade creditors and other short term liabilities	22 735	14 068	0	0	0	36 803
Working capital and other debt, joint operations/licences	152 835	0	0	0	0	152 835
Consideration from acquisitions of interests in licences	3 971	0	0	0	0	3 971
Total liabilities	190 765	124 094	163 875	403 191	0	881 925
Total liabilities	**368 655**	**814 172**	**307 195**	**848 502**	**0**	**2 338 523**

Capital management

A key objective in relation to capital management is to ensure that the Company maintains a sufficient capital structure in order to support its business development and to maintain a strong credit rating. The Company evaluates its capital structure in light of current and projected cash flows, potential new business opportunities and the Company's financial commitments. In order to maintain or adjust the capital structure, the Company may issue new shares or obtain new loans. The 2023 commitments will be financed by the revenues from Brage and Yme production and the tax refund for 2022. (For further information refer to note 10 Tax). No further capital injection or loans are budgeted

Note 22 Other current liabilities

(Amounts in TNOK)	2022	2021
Working capital and other debt, joint operations/licences	294 715	152 835
Overlift of petroleum products, joint operations/licences	0	23 248
Accrued interest bond loans	28 610	9 540
Prepayments from customers [1]	296 784	0
Consideration from acquisitions of interests in licences [2]	299 337	3 971
Public duties payable	2 870	6 231
Salary and vacation payable	3 478	12 151
Short-term leasing debt	1 982	1 370
Other accruals for incurred costs	5 592	109
Total	**933 369**	**209 456**

[1] On 1 December 2022, Lime entered into crude oil purchase and sales agreement with Shell International Trading and Shipping Company Ltd for Brage and Yme, the contract period commencing on 1 January 2023. The contracts included advance payments under the contracts up to a total of USD 30 million.

[2] The amount includes deferred payment related to Yme acquisition of TNOK 289 940 which was paid 3 April 2023 (ref. note 12) and deferred payment related to Brage acquisition of TNOK 9 397.

Note 23 Related party disclosure

(Amounts in TNOK)

a) Purchases from related parties

Purchase of services from	Description of services	2022	2021
Rex International Holding Ltd [1] [3]	Consulting services	1 143	1 665
Rex Technology Investments Pte Ltd [2]	Rex Virtual Drilling analysis	15 044	13 256

b) Sales to related parties

Sales of consulting services to (see also note 7 Payroll)	2022	2021
Group companies under control of Rex International Holding Ltd	1 458	1 478

c) Balances with related parties (trade payables)

Related party	2022	2021
Group companies under control of Rex International Holding Ltd	624	687

d) Balances with related parties (trade payables)

Related party	2022	2021
Group companies under control of Rex International Holding Ltd	8 608	492

e) Balances with related parties (non-current liabilities)

See note 20. Interest-bearing loans and borrowings.

Compensation to key management 2022

(Amounts in TNOK)

Position	Salary/ Board fee	Pension contribution	Total 2022
CEO Lars B. Hübert	3 953	213	4 166
Board of Directors	4 498	0	4 498

As at 31 December 2022 there is no agreement of bonus to key management.

Compensation to key management 2021

(Amounts in TNOK)

Position	Salary/ Board fee	Pension contribution	Total 2021
CEO Lars B. Hübert	3 972	0	3 972
Board of Directors (including accrued bonus)	15 059	0	15 059

CEO Lars B. Hübert is remunarated through invoicing as self-employed.

[1] Rex International Holding Ltd owns 100 % of the shares in Rex International Investments Pte. Ltd which owns 91.65 % of the shares in Lime Petroleum AS.

[2] Rex Technology Management Ltd is owned 100 % by Rex International Investments Pte. Ltd.

[3] A company jointly controlled by Karl Lidgren, Hans Lidgren and Svein Helge Kjellesvik who has significant influence over Rex International Holding Ltd through their shareholding.

Note 24 Contingent liabilities

The company has not been involved in any legal or financial disputes in 2022 where adversely outcome is considered more likely than remote.

Note 25 Shares in licences and obligations

The company ' s 2023 obligations related to the licence portfolio including exploration, development and production assets as at year end estimated to a total of 1 159 million. This forecast is based on operator's licence budgets for 2023. The operators will, according to the Joint Venture Agreements, call for funds as needed during the budget period. For further information refer to Financial instruments and liquidity risk described in Note 21.

Note 26 Reserves (un-audited)

The following table reflects the Company's net entitlement proven and probable reserves

1000 Boe	Brage	Yme	Total reserves
Opening balance 1 January 2022	13 540	0	13 540
Acqusitions or sales	0	5 476	5 476
Production	-900	0	-900
Revisions	-1 613	0	-1 613
Increased oil recovery	0	0	0
Discoveries	0	0	0
31 December 2022	**11 028**	**5 476**	**16 504**
Opening balance 1 January 2021	0	0	0
Aqusitions or sales	13 540	0	13 540
Production	0	0	0
Revisions	0	0	0
Increased oil recovery	0	0	0
Discoveries	0	0	0
31 December 2021	**13 540**	**0**	**13 540**

Note 27 Events after the balance sheet date

On 10 January 2023, Lime was awarded two additional licenses in the APA2022 licensing round. 50% participating share in the license PL1178 (Palmehaven) and 30% participatingshare in the license PL1190 (Taco). The license PL1178 is adjacent to the Brage Area and could potentially add valuable additional resources to Lime`s producing asset.

On 10 January 2023, Lime successfully raised NOK 250 million through the tap mechanism in its existing Senior Secured Bond. After the tap issue was carried out, the total outstanding amount is NOK 1 200.0 million. The settlement took place on 18 January 2023. The bonds were issued at 99.25 per cent of the nominal amount.

On 20 January 2023, Lime established an oil price hedging program in order to reduce the risk related to oil price fluctuations. Lime has, effective from 1 February 2023, a hedging program based on put options that will protect the company from significant reductions in crude oil prices through to January 2024. The crude oil production was hedged at strike price of 35 USD/bbl. and USD 0.45 average cost per barrel totaling the option premium to USD 216,000. On 3 February 2023, the settlement for the Yme transaction was completed.

On 10 February 2023, Lime announced that the PL867 Gjegnalunden well drilling operation in which Lime holds a 20 per cent interest, was completed and resulted in a minor discovery which will be evaluated for commerciality. The work with the well result will be continued to identify further resources in PL867, and to also evaluate these results against the prospectivity in the neighboring PL818 license with the Orkja prospect in which Lime has a 30 per cent share.

On 22 February 2023, Lime signed an agreement to commence a CCS project. The 2023 budget indicates approx. NOK 10 – 12 million for Lime.

On 1 March 2023, the Ministry of Petroleum and Energy granted 6 – months extension for the licenses PL818 and PL818B. New drill or drop decision is to be taken by 5 August 2023.

One – year extension of the license PL838B was approved by the authorities on 16 March 2023. New drill or drop decision is to be taken by 1 March 2024.

The partners in the license PL1111 (Kings Canyon) have decided to relinquish the license, the drill or drop date was 19 February 2023. Based on the decision of relinquishment, the license was written down in 2022 by book value NOK 8.2 million. The after-tax effect (loss) on the net result was NOK 1.8 million. The Ministry of Petroleum and Energy was notified 3 February 2023, and the authorities` approval for relinquishment of the license was received 6 March 2023.

Following these events affecting the license portfolio the company has interests in 21 concessions, of which 6 of the licenses are related to the producing Brage Field and two of the licenses are related to the oil producing Yme Field.

On 28 March 2023 Lime Petroleum AS has prequalified as an operator on the Norwegian Continental Shelf.

On 3 April 2023, Lime established a currency hedge program to protect for events triggering volatility in currency markets. A currency hedge based on put options with strike price 9.25 Asian style and a monthly volume of 4.3 MUSD 12 months coupons was made. The hedge will shield the company from significant unfavorable NOK/USD changes through March 2024. The option premium amounted to NOK 4,450,000.

On 17 April 2023, Lime successfully raised NOK 50 million through the tap mechanism in its existing Senior Secured Bond. After the tap issue was carried out, the total outstanding amount is NOK 1 250.0 million. The settlement took place on 21 April 2023. The bonds were issued at 99.0 per cent of the nominal amount.

KPMG

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To the General Meeting of Lime Petroleum AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lime Petroleum AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement 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 statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Our opinion is consistent with our additional report to the Audit Committee.

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 as required by 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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 11 years from the election by the general meeting of the shareholders on 11 March 2013 for the accounting year 2012.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of purchase price allocation

Refer to Note 12 Business combination IFRS 3

The key audit matter	*How the matter was addressed in our audit*
On 23 December 2022 the Company completed the acquisition of 10 per cent working interest in the Yme field. The estimated purchase price amounted to USD 84.1 million. The transaction has been determined to constitute a business combination and has been accounted for using the acquisition method according to IFRS 3. The assets and liabilities acquired were stated at their fair values which were determined in the course of the purchase price allocation performed. The primary element of the valuation and purchase price allocation was to assess the fair value of the Company's share in the oil field, resulting in a goodwill amounting to USD 31.8 million. The allocation also considered other assets and liabilities. The purchase price allocation is reported as preliminary in the financial statements. Yme business combination is considered a key audit matter in the audit due to the substantial effect on total assets and due to the level of estimation uncertainty in determining the fair value of the net assets acquired.	Our audit procedures in this area included: • Obtaining an understanding of management's process and testing design and implementation of management's control over the purchase price allocation; • Evaluating the competency and objectivity of management's independent valuation specialist; • Evaluating the reasonableness of management's key judgments and estimates, including selection and application of methods, model, significant assumptions, and data sources and selection of the point estimate: • Assessing, with the assistance of KPMG valuation specialists, the mathematical and methodological integrity of management's purchase price allocation and the reasonableness of key input parameters used; • Evaluating the completeness, accuracy and relevance of key data used in the models applied; and • Evaluating the adequacy and appropriateness of the disclosures in the financial statements related to the business combination.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information

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accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility as included in the Board of Directors' report, and to the report on payments to governments.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's 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 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 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. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including

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the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of Lime Petroleum AS we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 894500TQ3YLYPWW50Z36-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 30 April 2023
KPMG AS

Stian Tørrestad
State Authorised Public Accountant

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www.limepetroleum.com