



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	985 377 545
Organisasjonsform:	Norskreg. utenlandsk foretak
Foretaksnavn:	NOV WELLBORE TECHNOLOGIES NORWAY LLC
Forretningsadresse:	Lagerveien 20 4033 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
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Konsern

Morselskap i konsern:	Nei
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Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	knut kloster
Dato for fastsettelse av årsregnskapet:	23.08.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 23.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue	2	459 156 131	509 493 189
Other income		28 707 965	27 085 782
Sum inntekter		487 864 096	536 578 971
Kostnader			
Raw material and consumables used		329 973 375	363 929 758
Employee benefit expense	3	91 221 876	89 056 671
Depreciation	4	89 210 407	96 378 594
Other expenses		11 544 030	27 004 917
Sum kostnader		521 949 688	576 369 940
Driftsresultat		-34 085 592	-39 790 969
Finansinntekter og finanskostnader			
Annen renteinntekt		0	32 068
other financial income		85 459	1 287 118
Sum finansinntekter		85 459	1 319 186
Rentekostnad til foretak i samme konsern	5	15 247 094	16 712 093
Annen rentekostnad		827	34 059
Other financial expense		14 658 608	17 257 495
Sum finanskostnader		29 906 529	34 003 647
Netto finans		-29 821 070	-32 684 461
Ordinært resultat før skattekostnad		-63 906 662	-72 475 430
Ordinært resultat etter skattekostnad		-63 906 662	-72 475 430
Årsresultat		-63 906 662	-72 475 430
Overføringer og disponeringer			
to/from Equity		-63 906 662	-72 475 430
Sum overføringer og disponeringer		-63 906 662	-72 475 430



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Maskiner og anlegg	4	190 416 696	193 192 553
Sum varige driftsmidler		190 416 696	193 192 553
Sum anleggsmidler		190 416 696	193 192 553
Omløpsmidler			
Varer			
Inventory	8	83 218 772	131 190 138
Sum varer		83 218 772	131 190 138
Fordringer			
Account receivables		68 834 587	35 433 533
Other short-term receivables		2 168 544	8 970 491
Konsernfordringer	5	59 287 193	78 506 204
Sum fordringer		130 290 324	122 910 228
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	9	93 492 960	91 732 455
Sum bankinnskudd, kontanter og lignende		93 492 960	91 732 455
Sum omløpsmidler		307 002 056	345 832 821
SUM EIENDELER		497 418 752	539 025 374

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Opptjent egenkapital



Balanse

Beløp i: NOK	Note	2021	2020
Other equity	6	-95 404 530	-352 009 041
Sum opptjent egenkapital		-95 404 530	-352 009 041
Sum egenkapital		-95 404 530	-352 009 041
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	5	440 567 451	442 473 779
Sum annen langsiktig gjeld		440 567 451	442 473 779
Sum langsiktig gjeld		440 567 451	442 473 779
Kortsiktig gjeld			
Leverandørgjeld		4 044 390	2 701 174
Skyldige offentlige avgifter		4 762 723	12 213 627
Kortsiktig konserngjeld	5	88 252 997	373 644 675
other current liabilities		55 195 722	60 001 160
Sum kortsiktig gjeld		152 255 832	448 560 636
Sum gjeld		592 823 283	891 034 415
SUM EGENKAPITAL OG GJELD		497 418 753	539 025 374



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Rune Tystad	05.10.2012	19.10.2012
Telefon	Deres referanse	Vår referanse
977 59 464	79832377	2012/775083

NATIONAL OILWELL VARCO NORWAY AS
Postboks 8181
4069 STAVANGER

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for NOV Downhole Norway LLC, org.nr. 985 377 545

Vi viser til deres brev av 5. oktober 2012 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for NOV Downhole Norway LLC.

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

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

Fra søknaden gjengis:

NOV Downhole Norway LLC driver innen engroshandel med maskiner og utstyr til olje- og gass industrien. Selskapet er en avdeling av NOV Downhole LLC, lokalisert i Delaware, USA, og inngår i NOV konsernet som er notert på børsen i New York i USA.

Konsernets arbeidsspråk er engelsk. Konsernet opererer i sektorer der engelsk er det klart dominerende språket. Selskapets aksjonær er ett utenlandsk selskap, og all kommunikasjon med konsernets primære kunder og kreditorer foregår på engelsk, herunder oversendes ett oversatt engelsk regnskap til disse.

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

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at avdelings virksomhet er i en sektor der engelsk er det klart dominerende språket og at arbeidsspråket er engelsk. Videre er det vektlagt at avdelingen eies av et utenlandsk selskap.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad



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Statsautoriserte revisorer
Ernst & Young AS

Markens gate 9, 4610 Kristiansand
Postboks 184, 4662 Kristiansand

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Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To Nov Wellbore Technologies Norway Llc NUF

Opinion

We have audited the financial statements of Nov Wellbore Technologies Norway Llc (the Company), which comprise the balance sheet as at 31 December 2021, the profit and loss statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The financial statements have been completed after the statutory deadline.

Other information

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

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

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the



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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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Kristiansand, 23 August 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Espen Fyllingen
State Authorised Public Accountant (Norway)

Independent auditor's report - Nov Wellbore Technologies Norway LLC NUF 2021

A member firm of Ernst & Young Global Limited

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"By my signature I confirm all dates and content in this document."

Espen Fyllingen

Oppdragsansvarlig partner

Serial number: 9578-5999-4-2137889

IP: 145.62.xxx.xxx

2022-08-23 11:17:57 UTC



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Financial Statement

NOV Wellbore Technologies Norway LLC NUF

2021

Org.no 985 377 545



Annual Report for NOV Wellbore Technologies Norway LLC NUF - 2021 Org.no 985 377 545

General information about the Company, nature of business and location

NOV Wellbore Technologies Norway LLC NUF is registered as a Norwegian foreign enterprise. The company is a division of NOV Wellbore Technologies LLC, Delaware, USA and part of the group NOV Inc., Houston, USA. The branch does not have its own board.

The company's operations include sales, rental, service of downhole drilling instrumentation, highspeed telemetry services, visualization solutions, and data delivery to the offshore energy industry.

The company has operations at Stavanger, Norway and supports the Norway Market.

Report on financial statements

The financial statements have been prepared under the assumption of going concern in accordance with Norwegian Accounting Act§3-3a and it is confirmed that the financial statements have been prepared under the assumption of continued operations, and the assumption of continued operations have been met. This is emphasised by the issue of letter of support from parent group company.

The general manager does not know of any conditions that have occurred after accounting year, that may be relevant to the assessment of the Company. The financial statement gives a true and fair view of the assets and liabilities, financial position, and result.

The company had revenues in 2021 of Nok 487 864 096. The company's revenues in 2020 was in comparison NOK 536 578 971. The decrease in revenue compared to 2020 was driven by lower sales abroad to other NOV entities of equipment held by Company. The Company reported a net operating loss in 2021 NOK 34 085 592. The Company reported a net operating loss in 2020, in comparison, NOK 39 790 969. The improved operating loss was driven by improved gross margins and better cost control compared to prior years.

The Company reported a net loss in 2021 of NOK 63 906 662. The Company reported a net loss in 2020 in comparison, NOK 72 475 430. This was driven by better operating results.

The equity of the company is NOK -95 404 530 on 31.12.2021, 2020: -352 009 041 and total assets in the balance sheet is 497 418 752, (2020 539 025 374)

In 2021, the operating loss was Nok 34 085 592, and the cashflow from operating activities was NOK 35 397 964.

The Company's total assets have also been reduced to NOK 497 418 752, compared to 2020 NOK 539 025 374

The equity ratio in the company have improved in December 31, 2021 to -19.6% from 2020 which was -65%

Equal opportunities

The objective of the Company is to be a workplace with equal opportunities and rights for women and men. The Company policy is based on well-established principles with focus on equal rights when it comes to recruitment, remuneration and promotion.



There are 17 women out of the 84 employees in the Company. The Company's Norwegian top management are 11 male and 1 female. The employees can be categorized by employment and gender as follows :

Category of employment	Number of Women	Share Of Women	Total Number of employees	Difference in Base Salary (%)
Grand total	17	20%	84	91,1%
0	0	0%	2	N/A
1	0	0%	0	N/A
2	0	0%	4	N/A
3	0	0%	5	N/A
4	0	0%	1	N/A
5	2	22%	9	N/A
6	6	33%	18	125,5
7	1	9%	11	N/A
8	3	30%	10	N/A
9	4	31%	13	N/A
10	1	17%	6	N/A
11	0	0%	3	N/A
12	0	0%	0	N/A
13	0	0%	2	N/A

(The categories of employment are based on NOV's Job Leveling Framework, divided into 13 different categories that reflect the amount of responsibility, impact and scope of a job.)

1	2	3	4	5	6	7	8	9	10	11	12	13
Management Job Level Guide												
Supervisor			Manager			Director			Executive			
I		II		I		II		I		II		EX
Engineering Job Level Guide												
Engineer						Principal			Chief			
I		II		III		IV		V		VI		
Professional Job Level Guide												
Analyst						Advisor						
I		II		III		IV		V		VI		
Specialist Job Level Guide												
Specialist												
I		II		III								
Support Job Level Guide												
Clerk		Assistant			Coordinator							
Helper		Operator			Lead							
0 I		II		III		IV		V				

The working time arrangements of the Company are linked to the job function and are not dependent on gender. There are no employees working part-time. Men worked 11 023 hours overtime in 2021, while women worked 3 800 hours. Women represented 25,6 % of the overtime worked. We see that women's base salary on an average, is 91,1 % of men's base salary, and women's annual total cash at target is 97,3 % of men's. Regarding legally required cash payments, women are on average paid more than men. Men are however paid a higher bonus than women.

As several categories contain less than five female and/or male employees, we will not report numbers on all categories of employment in this report. They are however included in the grand total numbers.

Action taken to avoid discrimination

The purpose of the Act of Discriminations to enhance equal opportunities regardless of gender, secure equal rights and opportunities and prevent discriminations based on ethnic origin, color of skin, religion or disability. The Company works actively, goal oriented and systematically to facilitate the Act of Discrimination. The Company is working to meet the



required activities under § 26 of “likestillings og diskrimineringsloven” (Act of discrimination and equal opportunities). Please read the Equality Statement 2021 for more information regarding the status and actions taken to promote equality and avoid discrimination in the Company at www.nov.com/Norway

The NOV Group has several global policies, as NOV Equal Employment Opportunity Policy, and NOV Sexual Harassment Policy. These policies are guidelines for all employees of NOV globally. NOV regularly conduct global campaigns of these themes

HSE performance

Safe operations remain the company’s priority. The Company had an HSE performance in 2021 with a Total Recordable Incident Rate (TRIR) of 0, down from 4,16 in 2020. To further improve our safety efforts, we continue to improve our ability to identify hazards before they occur.

Reporting

The HSE reporting system is used to promote a good HSE culture and it is essential to ensure continuous development and improvement of HSE. All incidents and observations are registered and followed up in the HSE reporting system. We have focus on registering preventative measures such as stop work, safety inspections, meetings with actions, audits, management of change, lessons learned, risk assessment meetings, training and best management practice.

Investigations

The Company investigates all serious incidents and high risk near misses to learn from these and improve. Investigations revealed some shortcomings and mitigating measures are identified and initiated.

Risk

The Company will continuously identify risks related to Health, Environment and Safety and take necessary measures to make the risk as low as reasonably achievable. All hazardous operations in the Company are risk assessed continuously.

HSE audits

The company performs annual Internal HSE audits. Findings and improvement opportunities are mainly related to low reporting, 3rd. party contractors, supervisor responsibilities, and not following the Management of Change (MOC) procedure. We welcome audits by customers and third party to focus on learning and uncover possible shortcomings. Mitigating measures are identified and initiated continuously.

Environment

The Company is working continuously to control our environmental aspects and have objectives and targets to improve significant activities, products or services which impact the environment.

Our largest environmental aspects are with regards to purchase, repair, and transportation of our products.

No accidental discharge was reported in 2021.

The company have several initiatives ongoing related to energy transition and green technologies. We believe this will give us important opportunities in the future.

Financial risk

The company is exposed to fluctuations in the USD exchange rate. We have significant intercompany costs in USD and a significant amount of revenue in NOK. NOV Wellbore Technologies Norway LLC NUF has no agreements to reduce currency risk. We are thus exposed to market risk related to foreign exchange fluctuations.



Credit risk

The company has historically had small losses on its trade receivables. The risk for its customers to be financially unable to meet their obligations is therefore considered to be low. The majority of customers are solid drill operators on the Norwegian continental shelf.

Liquidity risk

The company is funded by companies in the same group. This funding will continue, and the group has issued a letter of confirmation for continued financial support for the coming year. The group has a strong financial position and liquidity risk is considered to be low. This supported by the net change in cash and cash equivalents of 1 760 506 for 2021. However, we will continue to improve our routines and keep on monitoring outstanding receivables.

Effective as of 29 September 2021, Grant Prideco, Inc. agreed to contribute USD 36,374,813 NOK 320 511 173 as capital contribution in NOV Wellbore Technologies Norway LLC.

Report on business outlook

During 2020, the COVID-19 outbreak rapidly spread across the world, driving sharp demand destruction for crude oil as countries took measures that curtailed economic activity to slow the spread of the outbreak. Companies across the industry responded with severe capital spending budget cuts, curtailed production, cost reductions, personnel layoffs, facility closures and bankruptcy filings. Towards the end of 2020 and into 2021, commodity prices stabilized and began to recover resulting in improving industry activity levels in North America.

Throughout 2021, greater availability of COVID-19 vaccines resulted in the gradual re-opening of certain economies around the world. Pent-up consumer and industrial demand combined with government economic stimulus programs are serving to amplify the global recovery, improve economic activity, and drive higher demand energy, including oil and gas, which management believes is setting the stage for a global recovery in drilling activity as well as willingness to invest in alternative sources of energy.

During 2021, oil and gas drilling activity levels increased in every major region of the world, reflecting this growing demand. However, following Covid 19, capacity in market was adjusted to match lower customer demand, now impacting the ability to serve needs and requirements from improved market conditions. In sum, this causes significant supply chain disruptions and inflationary challenges recently also strengthened by Russia's invasion in Ukraine. We expect the supply chain and inflationary challenges will continue throughout 2022.

Despite the near-term disruptions from ongoing COVID-19 outbreaks, pandemic and geopolitical related supply chain disruptions, and inflationary forces, management is optimistic that improving market fundamentals and the actions NOV has taken to position its business for the future will drive growth and improve profitability for the Company. NOV remains committed to improving organizational efficiencies while focusing on the development and commercialization of innovative products and services, including environmentally friendly technologies, that are responsive to the longer-term needs of NOV's customers. We believe this strategy will further advance the Company's competitive position, regardless of the market.

Board liability insurance

§3-3a 11th paragraph. of the accounting act, states that "Information shall be provided if insurance has been taken out for the board members and the general manager for their possible liability to the company and third parties and in case of the insurance coverage."



The managing director and the board members in the company are covered by such insurance to protect them against claims to their execution of his or her job duties.

Subsequent events

We refer to business outlook for information surrounding current market conditions.

On the 1st May 2022, The Company purchased the trade and assets of NOV Fluidcontrol Norway NUF, a branch of National Oilwell Varco L.P, Houston, USA. For a consideration of USD 5,346,875.

No other subsequent events noted.

Allocation of loss for the year

The loss is proposed transferred to carry forward loss.: 63 906 662

Stavanger, 09 August 2022

Robbert Oudendijk
Norwegian Representative



NOV Wellbore Technologies Norway LLC

Profit and Loss Statement

Operating income and operating expenses	Note	2021	2020
Revenue	2	459 156 131	509 493 189
Other income		28 707 965	27 085 782
Total income		<u>487 864 096</u>	<u>536 578 971</u>
Raw materials and consumables used		329 973 375	363 929 758
Employee benefits expense	3	91 221 876	89 056 671
Depreciation	4	89 210 407	96 378 594
Other expenses		11 544 031	27 004 918
Total expenses		<u>521 949 688</u>	<u>576 369 941</u>
Operating profit		<u>-34 085 592</u>	<u>-39 790 969</u>
Financial income and expenses			
Other interest income		0	32 068
Other financial income		85 460	1 287 118
Interest expense to group companies	5	15 247 094	16 712 093
Other interest expenses		827	34 059
Other financial expenses		14 658 608	17 257 496
Net financial items		<u>-29 821 069</u>	<u>-32 684 461</u>
Profit before tax		<u>-63 906 662</u>	<u>-72 475 430</u>
Profit after tax		<u>-63 906 662</u>	<u>-72 475 430</u>
Net income		<u>-63 906 662</u>	<u>-72 475 430</u>
Attributable to			
To / from other equity	6	-63 906 662	-72 475 430
Total		<u>-63 906 662</u>	<u>-72 475 430</u>



NOV Wellbore Technologies Norway LLC

Balance sheet

Assets	Note	2021	2020
Non-current assets			
Property, plant and equipment			
Equipment and other movables	4	190 416 696	193 192 553
Total property, plant and equipment		<u>190 416 696</u>	<u>193 192 553</u>
Total non-current assets		<u>190 416 696</u>	<u>193 192 553</u>
Current assets			
Inventories	8	<u>83 218 772</u>	<u>131 190 138</u>
Debtors			
Accounts receivables		68 834 587	35 433 533
Account receivables group companies	5	59 287 193	78 506 204
Other short-term receivables		2 168 544	8 970 491
Total receivables		<u>130 290 324</u>	<u>122 910 228</u>
Cash and cash equivalents	9	<u>93 492 960</u>	<u>91 732 456</u>
Total current assets		<u>307 002 057</u>	<u>345 832 821</u>
Total assets		<u>497 418 752</u>	<u>539 025 374</u>




NOV Wellbore Technologies Norway LLC

Balance sheet

Equity and liabilities	Note	2021	2020
Retained earnings			
Other equity	6	-95 404 530	-352 009 041
Total retained earnings		<u>-95 404 530</u>	<u>-352 009 041</u>
Total equity		<u>-95 404 530</u>	<u>-352 009 041</u>
Liabilities			
Long term note group companies	5	440 567 451	442 473 779
Total non-current liabilities		<u>440 567 451</u>	<u>442 473 779</u>
Current liabilities			
Trade payables		4 044 390	2 701 174
Liabilities to group companies	5	88 252 997	373 644 675
Public duties payable		4 762 723	12 213 627
Other current liabilities		55 195 722	60 001 160
Total current liabilities		<u>152 255 832</u>	<u>448 560 636</u>
Total liabilities		<u>592 823 282</u>	<u>891 034 415</u>
Total equity and liabilities		<u>497 418 752</u>	<u>539 025 374</u>

Stavanger, 09.08.2022



Robbert Oudendijk



Cash flow statement

NOV Wellbore Technologies Norway LLC

	Note	2021	2020
Cash flows from operating activities			
Profit before tax		-63 906 662	-72 475 430
+/- Tap/gevinst ved salg av anleggsmidler		-28 950 755	-27 085 782
Ordinary depreciation		89 210 407	96 378 594
Change in inventory		47 971 365	42 728 875
Change in accounts receivable		-14 182 043	84 252 126
Change in accounts payable		10 710 046	-33 174 822
Change in other accrual items		-5 454 395	26 865 874
Correction over equity		0	-14 696 667
Net cash flows from operating activities		<u>35 397 964</u>	<u>102 792 768</u>
Cash flows from investment activities			
Proceeds from the sale of fixed assets		58 906 052	84 274 670
Payments to buy tangible assets		-116 389 847	-121 975 634
Net cash flows from investment activities		<u>-57 483 795</u>	<u>-37 700 964</u>
Cash flows from financing activities			
Change in loan/ receivables from owner		-296 664 837	26 206 605
+ Innbetalinger av aksjonærbidrag		320 511 173	0
Net cash flows from financing activities		<u>23 846 336</u>	<u>26 206 605</u>
Net change in cash and cash equivalents		<u>1 760 506</u>	<u>91 298 408</u>
Cash and cash equivalents at the start of the period		<u>91 732 456</u>	<u>38 763 290</u>
Cash and cash equivalents at the end of the period		<u>93 492 961</u>	<u>130 061 698</u>



Note 1 - Accounting Principles

The entity is registered as a Norwegian Registered Foreign Company. The entity is a branch of NOV Wellbore Technologies LLC, Delaware, USA and therefore a part of the group National Oilwell Varco Inc., Houston USA.

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

Principles for assessment and classification of assets and liabilities

Assets intended for permanent ownership or use is classified as fixed assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The same criteria are used in the classification of current and non-current liabilities.

Assets are recorded at cost and are written down to fair value if impairment is not expected to be temporary. Fixed assets with a limited useful life are depreciated. Current assets are valued at the lower of cost and net realizable value. Other non-current and current liabilities are valued at nominal. Some items are valued by other principles, as explained below.

Fixed assets

Fixed assets are capitalized and depreciated over the useful life if this is longer than 3 years and has a cost higher than 15 000. Direct maintenance costs are expensed as incurred, while improvements are added to the acquisition cost and depreciated along with the asset.

Inventories

Inventories of goods are valued at the lower of cost on a FIFO basis and net realizable value. Provision is made of estimated obsolescence.

Receivables

Trade and other receivables are recorded at nominal value less a provision for doubtful debts. Provision is based on an individual assessment of each receivable. In addition, for other receivables, a general provision is made to cover expected losses.

Currency

Monetary items denominated in foreign currencies are calculated at exchange rates on the balance sheet date (USD/NOK 8.11349). Non-monetary items are calculated at historical rate of the transaction date. Transactions in foreign currencies are generally calculated at the exchange rate in the current period (Year to date average USD/NOK 8.593274).

Revenue

Revenue from sale of goods is recognized upon delivery. Services are recognized in accordance with the execution.

Costs

Cost of sales is recognized generally in the same period as related revenue. In cases where there are not a clear relationship between spending and revenue, the distribution is made at discretion.

Pensions

The company has defined contribution schemes, which are expensed in accordance with premium payments.

Tax

Tax expense in the income statement for the period comprises current tax and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of temporary differences between accounting



and tax values. Deferred tax assets and liabilities are presented net in the balance.

Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments.

Note 2 - Revenue by segment

All major revenue for the company is connected to sale and rental of equipment for use in the oil industry for Norwegian customers.

Revenue by segment	2021	2020
Rental/Service revenue	323 707 651	271 527 234
Sales Revenue	135 448 480	135 448 480
Total revenue by segment	459 156 131	509 493 189

Revenue by Country	Totals	Percentage
Norway	402.183.202	88%
UK	34.914.103	8%
Other	22.058.826	4%
Total	459.156.131	100%

Note 3 - Wage costs

Wage costs consists of the following:

	2021	2020
Salary	77 244 570	74 919 265
Social security expenses	11 349 422	11 842 958
Pension amount	4 516 614	5 505 464
Other benefits/ refund	-1 888 731	-3 211 015
Sum	91 221 876	89 056 671

Average number of employees 107 100

Allowances:

There is no paid wages or other remuneration to the general manager from this company. He is employed by another company within the NOV Group.

Employees in the entity's sales department has an agreement of bonus based on a selection of criteria for calculation of the size of the bonus for the given year.

The entity is obligated by law to have an arrangement for occupational pension. It has been established a pension arrangement which meets these demands.

Audit fees for 2021 amounts to NOK 445 000 for statutory audit. Audit fees are exclusive of VAT.



Note 4 - Fixed assets

	Fixed assets	Rental Tools	Total
Acquisition cost 01.01.	8 969 684	388 018 464	396 988 148
Correction historical cost	0	0	0
Additions during the year	1 405 010	114 984 837	116 389 847
Retirements		-69 780 180	-69 780 180
Acquisition cost 31.12.2021	10 374 694	433 223 121	443 597 815
Accumulated depreciation 01.01.	6 163 310	197 633 637	203 796 947
Correction accumulated depreciation	0	-1 351	-1 351
Depreciation for the year	813 042	88 397 365	89 210 407
Accumulated depreciation retirements		-39 824 884	-39 824 884
Dep. and amortization per 31.12.	6 976 353	246 204 767	253 181 120
Book value per 31.12.2021	3 398 341	187 018 354	190 416 695
Economic life	3-10 years	3-10 years	
Depreciation plan	Linear 10-33 %	Linear 10-33%	



Note 5 - Balances with group companies

Total debt to entities in the group	NOK	528 820 448
Total receivables from entities in the group	NOK	59 287 193

The debt is included in the following amount in the balance sheet:

Accounts payable group companies	NOK	88 252 997
Long term note to group companies	NOK	440 567 451

Related Parties Transactions	Amount 2021
Purchase of products and services:	
Subsidiaries	0
Other Group companies	331.440.171
Sales of product and services	
Subsidiaries	0
Other Group companies	115.831.794
Incurred management fee	
Subsidiaries	0
Other Group companies	12.986.666
Invocied management fee	
Subsidiaries	0
Other Group companies	6.640.561
Interest expense	
Subsidiaries	0
Other Group companies	15.247.094
Global insurance	
Subsidiaries	0
Other Group companies	1.415.714

Note 6 - Equity

	Other equity
Equity pr 31.12.2020	-352 009 041
Capital injection 2021	320 511 173
Result 2021	-63 906 662
Equity pr 31.12.2021	-95 404 530



Note 7 Tax

This year's tax expense	2021	2020
Tax payable	0	0
Change in deferred tax	0	0
Total tax charge	0	0

Calculation of the tax base for the year:	2021	2020
Result before tax	-63 906 662	-72 475 430
Permanent differences	113 439	79 611
Change in temporary differences	53 721 463	55 028 073
Reduction interest charges	10 071 760	13 246 996

The year's tax base	0	-13 246 996
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The tax effect of temporary differences and loss for to be carried forward has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences:

Overview of temporary differences:	2021	2020
Stock	34 196 435	24 762 094
Tangible fixed assets	131 367 188	87 080 066
Provision in accordance with good accounting practice	0	4 568 356
Total	165 563 623	116 410 516
Accumulated loss to be brought forward	233 367 641	233 256 629
Not included in the deferred tax calculation	-398 931 264	-349 667 145
Basis for calculation of deferred tax	0	0

Deferred tax (22 %/22 %)

Deferred tax is not booked to the balance sheet.

Note 8 - Inventory

	2021	2020
Unused tools for rental or sale	3 994 862	2 475 084
Inventory of spares and related items	113 268 437	152 852 925
Total reserve	-34 044 528	-24 137 871
Total inventory	83 218 772	131 190 138



Note 9 - Bank deposits

Deposit for withheld personal income tax have been secured with a bank guarantee of 5 000 000 NOK.

Note 10 - Pension

The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenstepensjon"). The company's pension scheme meets the requirements of that law.

Note 11 Subsequent events

On the 1st May 2022, The Company purchased the trade and assets of NOV Fluidcontrol Norway NUF, a branch of National Oilwell Varco L.P, Houston, USA. For a consideration of USD 5,346,875.

We refer to business outlook for information surrounding current market conditions.