



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 992 821 191
Organisasjonsform: Aksjeselskap
Foretaksnavn: ENHANCED DRILLING HOLDING AS
Forretningsadresse: Smålonane 16
5353 STRAUME

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: RUNE MYGE DAAE
Dato for fastsettelse av årsregnskapet: 23.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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, 07.08.2025



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	2	377 000	309 000
Sum kostnader		377 000	309 000
Driftsresultat		-377 000	-309 000
Finansinntekter og finanskostnader			
Financial income		34 986 000	30 444 000
Sum finansinntekter		34 986 000	30 444 000
Financial expenses		54 679 000	47 067 000
Sum finanskostnader		54 679 000	47 067 000
Netto finans	3	-19 693 000	-16 623 000
Resultat før skattekostnad		-20 070 000	-16 932 000
Income tax	4	61 000	-1 493 000
Årsresultat		-20 131 000	-15 439 000
Overføringer og disponeringer			
Udekket tap		-20 131 000	-15 439 000
Sum overføringer og disponeringer		-20 131 000	-15 439 000



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	6,7	1 023 210 000	1 023 210 000
Lån til foretak i samme konsern	8,7	277 108 000	234 116 000
Sum finansielle anleggsmidler		1 300 318 000	1 257 326 000
Sum anleggsmidler		1 300 318 000	1 257 326 000
Omløpsmidler			
Varer			
Fordringer			
Other Receivables	9,7	11 000	
Konsernfordringer	8,7	510 000	6 948 000
Sum fordringer		521 000	6 948 000
Bankinnskudd, kontanter og lignende			
Bank, Deposits, Cash in hand	10	0	0
Sum bankinnskudd, kontanter og lignende		0	0
Sum omløpsmidler		521 000	6 948 000
SUM EIENDELER		1 300 839 000	1 264 274 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital	11	15 056 000	15 056 000
Overkurs		234 334 000	234 334 000
Annen innskutt egenkapital		259 331 000	259 331 000
Sum innskutt egenkapital		508 721 000	508 721 000



Balanse

Beløp i: NOK	Note	2024	2023
Opptjent egenkapital			
Earned Equity		270 105 000	290 238 000
Sum opptjent egenkapital		270 105 000	290 238 000
Sum egenkapital	5	778 826 000	798 959 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	8	521 717 000	465 314 000
Sum annen langsiktig gjeld		521 717 000	465 314 000
Sum langsiktig gjeld		521 717 000	465 314 000
Kortsiktig gjeld			
Leverandørgjeld		235 000	
Betalbar skatt	4	61 000	
Kortsiktig konserngjeld	8	0	0
Sum kortsiktig gjeld		296 000	0
Sum gjeld		522 013 000	465 314 000
SUM EGENKAPITAL OG GJELD		1 300 839 000	1 264 273 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue from customer contracts		722 219 000	618 535 000
Other revenue		4 942 000	2 927 000
Sum inntekter	4,5,23, 26	727 161 000	621 462 000
Kostnader			
Project cost		113 752 000	144 246 000
Paroll expenses	6	335 767 000	239 140 000
Impairment, depreciation and amortisation	11,12	95 964 000	110 368 000
Other operating expenses	7	82 619 000	59 012 000
Sum kostnader	26	628 102 000	552 766 000
Driftsresultat		99 059 000	68 696 000
Finansinntekter og finanskostnader			
Financial income		37 336 000	29 136 000
Sum finansinntekter		37 336 000	29 136 000
Financial expenses		73 221 000	74 377 000
Sum finanskostnader	8,26	73 221 000	74 377 000
Netto finans		-35 885 000	-45 241 000
Resultat før skattekostnad		63 174 000	23 455 000
Income tax	9	25 708 000	11 307 000
Årsresultat		37 466 000	12 148 000
Overføringer og disponeringer			
Profit attributable to equity holders		37 466 000	12 148 000
Sum overføringer og disponeringer		37 466 000	12 148 000



Konsernets balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Other Intangibles	11	42 868 000	44 041 000
Utsatt skattefordel	9	97 114 000	121 125 000
Goodwill	11	77 492 000	77 492 000
Sum immaterielle eiendeler		217 474 000	242 658 000
Varige driftsmidler			
Machinery and Operating Equipment	12	589 501 000	589 627 000
Sum varige driftsmidler		589 501 000	589 627 000
Finansielle anleggsmidler			
Long Term Receivables	13	66 000	138 000
Sum finansielle anleggsmidler		66 000	138 000
Sum anleggsmidler		807 041 000	832 423 000
Omløpsmidler			
Varer			
Inventories	14	96 227 000	60 607 000
Sum varer		96 227 000	60 607 000
Fordringer			
Trade Receivables	15,26	147 025 000	86 399 000
Other Receivables	16,26	101 551 000	43 172 000
Sum fordringer		248 576 000	129 571 000
Bankinnskudd, kontanter og lignende			
Bank, Deposits, Cash in hand	17	6 098 000	5 987 000
Sum bankinnskudd, kontanter og lignende		6 098 000	5 987 000
Sum omløpsmidler		350 901 000	196 165 000
SUM EIENDELER		1 157 942 000	1 028 588 000



Konsernets balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital		15 056 000	15 056 000
Overkurs		493 664 000	493 664 000
Sum innskutt egenkapital	18	508 720 000	508 720 000
Opptjent egenkapital			
Retained Earnings		-232 271 000	-276 820 000
Sum opptjent egenkapital		-232 271 000	-276 820 000
Sum egenkapital		276 449 000	231 900 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9	24 552 000	28 644 000
Sum avsetninger for forpliktelser		24 552 000	28 644 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	19	0	0
Deffered Revenue, Grants received for R&D	20	10 880 000	9 353 000
Other long term liabilities	21,26	662 230 000	595 436 000
Sum annen langsiktig gjeld		673 110 000	604 789 000
Sum langsiktig gjeld		697 662 000	633 433 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	19	0	0
Leverandørgjeld		102 526 000	99 596 000
Betalbar skatt	9	1 932 000	-769 000
Skyldige offentlige avgifter		14 458 000	13 828 000
Annen kortsiktig gjeld	22,26	64 914 000	50 599 000
Sum kortsiktig gjeld		183 830 000	163 254 000
Sum gjeld		881 492 000	796 687 000
SUM EGENKAPITAL OG GJELD		1 157 941 000	1 028 587 000



Konsernets balanse

Beløp i: NOK	Note	2024	2023
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Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer: 2025 651482

Enheten

Organisasjonsnummer: 992 821 191
Organisasjonsform: Aksjeselskap
Foretaksnavn: ENHANCED DRILLING HOLDING AS
Forretningsadresse: Smålonane 16
5353 STRAUME

Regnskapsår

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årsregnskapet til selskapet: Forenklet IFRS
Benyttet ved utarbeidelsen av
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Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: RUNE MYGE DAAE
Dato for fastsettelse av årsregnskapet: 23.06.2025

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Brønnøysundregistrene, 06.08.2025



Organisasjonsnr: 992 821 191
ENHANCED DRILLING HOLDING AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	2	377 000	309 000
Sum kostnader		377 000	309 000
Driftsresultat		-377 000	-309 000
Finansinntekter og finanskostnader			
Financial income		34 986 000	30 444 000
Sum finansinntekter		34 986 000	30 444 000
Financial expenses		54 679 000	47 067 000
Sum finanskostnader		54 679 000	47 067 000
Netto finans	3	-19 693 000	-16 623 000
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Income tax	4	61 000	-1 493 000
Årsresultat		-20 131 000	-15 439 000
Overføringer og disponeringer			
Udekket tap		-20 131 000	-15 439 000
Sum overføringer og disponeringer		-20 131 000	-15 439 000



Organisasjonsnr: 992 821 191
ENHANCED DRILLING HOLDING AS

BALANSE

Beløp i: NOK Note 2024 2023

BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Finansielle anleggsmidler

Investering i datterselskap	6,7	1 023 210 000	1 023 210 000
Lån til foretak i samme konsern	8,7	277 108 000	234 116 000
Sum finansielle anleggsmidler		1 300 318 000	1 257 326 000
Sum anleggsmidler		1 300 318 000	1 257 326 000

Omløpsmidler

Varer

Fordringer

Other Receivables	9,7	11 000	
Konsernfordringer	8,7	510 000	6 948 000
Sum fordringer		521 000	6 948 000

Bankinnskudd, kontanter og lignende

Bank, Deposits, Cash in hand	10	0	0
Sum bankinnskudd, kontanter og lignende		0	0
Sum omløpsmidler		521 000	6 948 000
SUM EIENDELER		1 300 839 000	1 264 274 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share Capital	11	15 056 000	15 056 000
Overkurs		234 334 000	234 334 000
Annen innskutt egenkapital		259 331 000	259 331 000
Sum innskutt egenkapital		508 721 000	508 721 000

Opptjent egenkapital

Earned Equity		270 105 000	290 238 000
Sum opptjent egenkapital		270 105 000	290 238 000
Sum egenkapital	5	778 826 000	798 959 000



Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	8	521 717 000	465 314 000
Sum annen langsiktig gjeld		521 717 000	465 314 000
Sum langsiktig gjeld		521 717 000	465 314 000
Kortsiktig gjeld			
Leverandørgjeld		235 000	
Betalbar skatt	4	61 000	
Kortsiktig konserngjeld	8	0	0
Sum kortsiktig gjeld		296 000	0
Sum gjeld		522 013 000	465 314 000
SUM EGENKAPITAL OG GJELD		1 300 839 000	1 264 273 000



Organisasjonsnr: 992 821 191
ENHANCED DRILLING HOLDING AS

KONSERNRESULTATREGNSKAP

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue from customer contracts		722 219 000	618 535 000
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Organisasjonsnr: 992 821 191
ENHANCED DRILLING HOLDING AS

KONSERNBALANSE

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Other Intangibles	11	42 868 000	44 041 000
Utsatt skattefordel	9	97 114 000	121 125 000
Goodwill	11	77 492 000	77 492 000
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Varige driftsmidler			
Machinery and Operating Equipment	12	589 501 000	589 627 000
Sum varige driftsmidler		589 501 000	589 627 000
Finansielle anleggsmidler			
Long Term Receivables	13	66 000	138 000
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Omløpsmidler			
Varer			
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Fordringer			
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SUM EIENDELER		1 157 942 000	1 028 588 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital		15 056 000	15 056 000
Overkurs		493 664 000	493 664 000



Sum innskutt egenkapital	18	508 720 000	508 720 000
Opptjent egenkapital			
Retained Earnings		-232 271 000	-276 820 000
Sum opptjent egenkapital		-232 271 000	-276 820 000
Sum egenkapital		276 449 000	231 900 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9	24 552 000	28 644 000
Sum avsetninger for forpliktelseser		24 552 000	28 644 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	19	0	0
Deferred Revenue, Grants received for R&D	20	10 880 000	9 353 000
Other long term liabilities	21,26	662 230 000	595 436 000
Sum annen langsiktig gjeld		673 110 000	604 789 000
Sum langsiktig gjeld		697 662 000	633 433 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	19	0	0
Leverandørgjeld		102 526 000	99 596 000
Betalbar skatt	9	1 932 000	-769 000
Skyldige offentlige avgifter		14 458 000	13 828 000
Annen kortsiktig gjeld	22,26	64 914 000	50 599 000
Sum kortsiktig gjeld		183 830 000	163 254 000
Sum gjeld		881 492 000	796 687 000
SUM EGENKAPITAL OG GJELD		1 157 941 000	1 028 587 000



Organisasjonsnr: 992 821 191
ENHANCED DRILLING HOLDING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
1

Regnskapsprinsipper
Se vedlegg

Note
2

Antall årsverk i regnskapsåret
0.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp



Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



Organisasjonsnr: 992 821 191
ENHANCED DRILLING HOLDING AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note
1,2,3

Regnskapsprinsipper
Se vedlegg

Note
6

Antall årsverk i regnskapsåret
193.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp



Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



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Enhanced Drilling Holding AS ANNUAL REPORT 2024



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BOARD OF DIRECTORS REPORT 2024 FOR ENHANCED DRILLING HOLDING AS

Reg. no: 992 821 191

Company Overview

Enhanced Drilling Holding AS is the parent company of the Enhanced Drilling group of operating companies, operating under the Enhanced Drilling brand.

The company provides technology, expertise, and services to several of the world's major oil and gas fields, with a large blue-chip customer base comprising major operators, NOCs and Independents. At year-end 2024, the Group had 183 professionals, all of whom were permanent employees. The annual turnover was NOK 727.2 million in 2024.

Enhanced Drilling Holding AS is a limited liability company incorporated in Norway with its head office and workshop located at Smålonane 16, 5353 Straume. The Group have operational hubs with office and workshop facilities in Perth Australia and Houston USA. In addition, the Group has registered a branch office in Baku Azerbaijan, and legal entities in in Aberdeen UK and Brazil to support our activities in these locations.

Operations

The company operates internationally and had operations in USA, Norway, Azerbaijan and Australia during 2024. Revenue is generated from delivering offshore services for well construction. The technology and services are very well aligned with the current market drivers; HSEQ and environment, increased well complexity, reduction of well costs, field life extension and increased production from existing assets. The value proposition from the group's services is transformational to field and well construction economics and is applicable to the majority of offshore wells constructed. The high value proposition is supported by recent years growth with increased market adoption, growth in market share and expansion of the client base. The Company experienced an upturn globally through 2024 in revenue, wells delivered, and systems deployed.

The general market conditions for oilfield services remained at high levels throughout 2024, with oil price averaging \$81 per barrel and at steady levels from 2023. Enhanced Drilling's growth has performed better than the general market due to increased market adoption of services. During 2024, the company delivered an increase in market share and adoption from both existing clients and contract awards from new clients.



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The entry into the US market with our services has been highly successful and in 2024 operations successfully commenced on a third rig. As part of the growth strategy in this area, the group have continued to strengthen the US company during 2024. The organization have grown with 30% to realize the strategy of building a strong and solid organization to deliver services to US clients. Workshop, warehouse and office capacity are increased close to 100%, enabling the US operational hub to be well positioned for future growth.

Offshore activity in Europe including Azerbaijan remained at 2023 levels in 2024. Onshore activity related to system deployment and rig integration had a significant increase in 2024. Three major contracts for long term activity were awarded in 2024 and offshore activities will start in 2025.

Enhanced Drilling's services have been an enabler for successful development of the Balder field by enhancing drilling efficiency, extending reach and improving completions to recover additional reserves. The first campaign utilized our systems from top hole to reservoir and was successfully completed second quarter 2024. After a rig change by the client, Enhanced Drilling was awarded the contract to continue on the next Balder development campaign. A new system with ability to deliver our services from top hole to reservoir is deployed and the campaign commenced first quarter 2025.

2024 was a high activity year in Australia where top hole services was delivered with our RMR® system to four rigs. It is expected that the Australia market will decline in 2025.

In 2024, according to our strategy, the group realized steps to prepare for further growth. Enhanced Drilling invested heavily in people, processes and systems to support sustainable and organic growth. The global organization have been increased with 23% during 2024. In addition, the company have completed a comprehensive program to improve systems and processes that impact organizational efficiency and quality performance.

The company plan for and expect continued high growth rates. Expectations are supported by a large sales backlog from long-term contracts in addition to a good inflow of new long-term contracts in 2024 that will start offshore operations in 2025.

Internal Control

Effective controls ensure that the group is not exposed to avoidable risk, that proper accounting records have been maintained, that the financial information used within the business is reliable and that the consolidated accounts preparation and financial reporting processes comply with all relevant regulatory reporting requirements.

The dynamics of the group and the environment within which it operates are continually evolving together with its exposure to risk. The internal control system is designed to manage rather than eliminate the risk of assets being unprotected and to guard against their unauthorized use and the failure to achieve business objectives. Internal controls can only provide reasonable and not absolute assurance against material misstatement or loss.

The directors confirm that there is an ongoing process for identifying, evaluating, and managing the risk faced by the group and the operational effectiveness of the related controls, which has been in place for the year under review and up to the date of approval of the annual report and accounts.



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With reference to the Norwegian Accounting Act § 3-3 a) # 11, we confirm the group holds a Directors & Officers Liability Insurance with AIG.

Standard

Enhanced Drilling Holding has defined roles, responsibilities and timelines for the accounting procedures including guidelines on the minimum level of internal control that each of the subsidiary companies should exercise over specified processes. In addition to ongoing monitoring, the Group conducts a structured internal control review annually at the company level to assess compliance and identify areas for improvement.

All companies prepare annual operating plans and budgets, and business strategies are prepared at regional level and approved by the board. In addition, Enhanced Drilling Holding prepares financial forecast that are presented to the board. Detailed actual financial information is prepared monthly; performance compared to budget is monitored at company, regional and group level. In addition, actual performance is compared to latest forecast and prior year on a monthly basis including analysis of any significant variances.

Capital expenditure and investment decisions are treated as a part of the budget and forecast processes. Details about who has the right to approve investments are described in an authorization matrix. The cash position of the group is monitored daily and variances from expected levels are investigated thoroughly.

An important factor in ensuring proper financial reporting is good IT controls. There are many IT controls in place to access the accounting systems for the year as a whole and at the year-end. These controls are assessed on an ongoing basis and improvements are implemented as needed.

Financial risk

Financial risk factors

The company's activities are exposed to a variety of financial risks. Market risks including currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in cooperation with the Group's operating units. The board provides risk management policies covering specific areas, such as foreign exchange risk, interest rate risk, liquidity risk and credit risk.

Market risk

(i) Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the AUD, EUR, GBP, and USD. Foreign exchange risk



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arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. Positions are reviewed monthly.

(ii) Price risk

The company is indirectly exposed to changes in the oil price, however current group policy is to not hedge oil price changes.

(iii) Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates. The company's interest rate risk arises from long-term borrowings, including financial leasing agreements. Borrowings and leasing agreements are issued at variable rates, expose the group to cash flow interest rate risk. Group policy is that long term borrowings shall be based on floating interest rates, however interest rate derivatives shall be applied in order to avoid significant losses due to interest rate changes.

Credit risk

Credit risk is managed on group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks, as well as credit exposure to customers, including receivables and committed transactions. The Group's customers are mainly the large international oil companies with limited to low credit risk potential. The Group seeks to obtain financial guarantees from debtors where the credit risk and exposure is considered to be high. The Group's main bank is DNB Bank ASA in Dronning Eufemias gate 30, 0191 Oslo Norway.

Liquidity risk

The company has a customer portfolio with large, medium and small cap customers. Delayed payments from some of the largest customers at the same time could have a significant impact on the company's liquidity situation. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Equity and shares

The group's book equity at year end was NOK 276.4 million up from NOK 231.9 million from last year. Total equity over total asset ratio was 24% compared to 23% last year. Enhanced Drilling Holding AS, has one share class. All ordinary shares carry equal rights. Each ordinary share carries one vote in the general meeting of the company. 31st December 2024 the company had a share capital of TNOK 15.056 divided into 5.018.695 shares. Face value of is NOK 3 per share. All issued shares are fully paid.

Environment, Social and Governance (ESG)

Enhanced Drilling is committed to maintaining high standards in environmental, social, and corporate governance (ESG), integrating responsible business practices into our strategy. Since 2019, we have continued to expand our ESG Key Performance Indicators (KPIs), with an emphasis on environmental



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and social accountability, while reinforcing a framework to strengthen ESG results. Our ambition is to make a measurable positive contribution to both the environment and society.

Our focus extends beyond reducing our own emissions; we aim to provide technologies and services that collectively lower the environmental burden of the industry.

For more than thirty years, Enhanced Drilling has delivered forward-thinking well construction and completion technologies that mitigate impact on marine life, reduce CO₂ emissions, and improve safety and efficiency. These efforts contribute to the energy sector's progress toward the United Nations' Sustainable Development Goals (SDGs) by 2030.

All Enhanced Drilling activities that affect the environment are managed by means of well-established systems and processes to identify and eliminate or reduce any negative impact, and to ensure, as a minimum, compliance with legislation and regulations set out by the authorities. Energy consumption is at a normal level for our type of business and chemicals are managed to reduce use and planned discharge of environmentally hazardous chemicals. Analysis of carbon footprint (scope 1-3) clearly indicates that the transportation of our equipment and business travel are the primary contributors to our CO₂ emissions.

The CO₂ emissions have increased slightly from 2021 to 2024, but not if compared to the size of the company as it has grown significantly over the same period.

Estimated CO₂ emissions for 2024 was 1.324 ton. Estimated saved CO₂ for our clients is 86.252 ton CO₂.

The company aims to facilitate the continuous environmental improvement in our operations by adopting the principles of ISO 14001:2015, international standard for environmental management.

Enhanced Drilling have functioning safety organizations to ensure employee involvement in HSE related issues. Average illness absence during 2024 was 3.8%.

During 2024, Enhanced Drilling had two lost time injury, zero medical treatment (MTI) and zero first aid incidents.

The last years results within HSEQ 2024:

- Lost Time Incidents (LTI) – 2
- Medical Treatment Incidents (MTI) – 0
- First Aid Incidents (FAI) – 0
- Total Recordable Incident Frequency (TRIF) – 5.75

A core objective of Enhanced Drilling is to have a safe and healthy working environment. We manage our business in accordance with ISO 45001:2018 Occupational health and safety management systems and ISO 9001:2018 Quality management systems standard, API Q2 Quality Management for Service Supply Organizations for the Petroleum and Natural Gas Industry.



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HR processes ensure that Enhanced Drilling looks after new and existing employees the best possible way, and through this ensure good working conditions.

Internal guidelines are reviewed and are regularly updated. In accordance with the Norwegian Transparency Act and the Modern Slavery Act we publish a transparency statement and an account of due diligence assessments by 30th June 2025.

As of 31st December 2024, the Board of Enhanced Drilling Holding AS had 3 Board Members comprising of 2 male and 1 female.

Enhanced Drilling aspires to be an attractive employer. The Equality and Anti-Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin color, language, religion, and faith. The Group is working actively, determined and systematically to encourage the act's purpose within our business. Included in the activities are recruiting, salary and working conditions, promotion, development opportunities and protection against harassment. The oil and gas industry generally is over-represented by men. In Enhanced Drilling, when hiring new employees, our ambition is to increase the proportion of women at all levels within the organization. Most of our female employees holds administrative positions. The gender balance deviates significantly within different group/professions in the company.

The competence principle is decisive in all appointment processes. However, in a department where one gender is under-represented, this is considered during the appointment process if other qualifications are otherwise equal. In connection with the yearly salary evaluation, attention is shown to possible inequality regarding average level of pay for men and women. The Group provides equal pay for equal work and rewards good results. Enhanced Drilling are preoccupied with maintaining a good and fair wage balance between the genders. Competence and professional background vary within the individual job code, in addition to various tasks and area of responsibility. This leads to some variations within a given job code.

In accordance with the Norwegian Equality and Anti-Discrimination Act, applicable for the Norwegian subsidiary we assess the gender balance (annual requirement) and equal pay (biyearly requirement, to be performed next year). Status at end of 2024 was:

- Share of women employed of total workforce is 17.65%
- We have no involuntary part time positions in the company

For further information please refer to the ESG report at:

<https://www.enhanced-drilling.com/sustainability>

Remuneration

Information concerning remuneration of the Board of Directors and the Chief Executive Officer can be found in Note 6 to the consolidated financial statements.

Enhanced Drilling Holding AS Annual Report 2024



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The compensation for the external auditor can be found in Note 7.

Financial review

Income statement, Cash Flow, Investments, Finance and Liquidity

The 2024 turnover was NOK 727 million compared to the 2023 turnover of NOK 621 million. The company continues its positive trend with increased activity and market adoption for new technology. The company has a significant order backlog that takes us through 2025 and further.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) ended at NOK 195.0 million, compared to NOK 179.1 million in 2023. The EBITDA margin was 27%, down from 29% in 2023.

In 2024, according to strategy, significant investments were taken to prepare the company for continued high growth rates. The group have conducted a hiring and training program with 23% increase in employees in 2024. Focus has also been given to improvement of organizational processes and systems. In 2024 this included a restructure of the organization and a program aimed at improving efficiency and quality performance. Based on our forecast we expect the EBITDA margin to increase going forward.

Accumulated cash flow from Enhanced Drilling Holding's operational activities was positive NOK 84.7 million vs NOK 137.4 million in 2023. Total investments for the group were NOK 86.6 million compared to NOK 107.2 million in 2023. Net cash flow from financing activities were positive NOK 1.9 million compared to negative NOK 26.5 million in 2023. Cash and cash equivalents for the Group at 31.12.2024 was NOK 6.1 million up from NOK 6.0 million at year end 2023.

The group has established a corporate account system with DNB and an overdraft facility that allows for a dynamic cash management.

Enhanced Well Technologies Group's total interest-bearing debt at year end 2024 was NOK 395,5 million, which represent 32% of the group's total asset compared to NOK 291,9 million in 2023 representing 27 % of the group's total assets.

At the end of the year, total assets amounted to NOK 1.158 million vs NOK 1.029 million last year. Total current liability to total asset ratio at 31.12.2024 was 16% same as last year. The equity to total assets ratio at 31.12.2024 was 24% compared to 23% last year.

Parent Company

Enhanced Drilling Holding AS is the parent company of the Enhanced Drilling group of operating companies. The parent company has no employees, and its main activity is to act as the owner of the shares in its subsidiaries. The operating loss in 2024 was NOK 377 thousand compared to a loss of NOK 309 thousand in 2023. The net loss in 2024 ends at NOK 20.1 million, compared to a net loss of NOK 15.4 million in 2023. Enhanced Drilling Holding has assessed its investment in subsidiaries, including its goodwill. An assessment has also been made for subsidiaries' fixed asset. A discounted



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cash flow (DCF) method was applied. The impairment testing indicates no need for write down of investment in subsidiaries or goodwill.

Accumulated cash flow from the company's operations was negative NOK 19.8 million compared to negative NOK 16.9 million last year. Net cashflow of investment activities was NOK 0.- million same as last year. The cashflow from finance activities was NOK 19.8 million compared to NOK 16.9 million in 2023.

Enhanced Drilling Holding AS total interest-bearing debt at year end 2024 was NOK 521.7 million which represent 40% of Enhanced Drilling Holding's total assets, compared to NOK 465.3 million and 37% of total asset at year end 2023. The total asset was NOK 1.301 million at year end 2024 and NOK 1.264 million at year end 2023. The equity to asset ratio was 60% at 31.12.2024, compared to 63% 31.12.2023.

Events after balance sheet date

No material events occurred after the balance sheet date.

Annual Result and Allocations

The Board proposes the following allocations of the Enhanced Drilling Holding's net profit for the financial year:

Profit for the year:	TNOK 37.466
Total profit allocated to retained earnings:	TNOK 37.466

The Board proposes the following allocations of the parent company Enhanced Drilling Holding AS' net profit for the financial year:

Loss for the year:	TNOK 20.134
Total loss allocated to retained earnings:	TNOK 20.134

Continued Operation

The Group's external financing is through the company Enhanced Well Technologies AS. Enhanced Well Technologies AS entered in 2019 into a 5-year senior facilities agreement with DNB Bank ASA, the facility was renegotiated in April 2024. The new facilities at total NOK 550 million have been made available for the Group, and termination date has been extended to 12th July 2027.


The key assumptions made in the impairment test reflect the Board's current assessment of Enhanced Well Technologies Group's potential to adapt to and benefit from trends in the oil services industry. Management believes that the expectations reflected in the forward-looking forecasts used as a basis for the impairment reviews, are reasonable. However, as the impairment valuations are based on forward looking information, they will involve estimates, risk, and uncertainty.



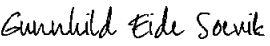
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The Board has considered the factors above in relation to continued operations and concluded that in accordance with the Accounting Act §3-3a, we confirm that the financial statements have been prepared under the assumption of a going concern.

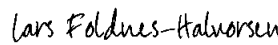
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Kjetil Lunde
Chairman / CEO

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Gunnhild Eide Søvik
Board Member

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Lars Foldnes-Halvorsen
Board Member



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Enhanced Drilling Holding AS

Figures in TNOK

Consolidated Income Statement

Revenues and expenses from continuing operations	Note	2024	2023
Revenue from customer contracts		722,219	618,535
Other revenue		4,942	2,927
Total revenue	4,5,23,26	727,162	621,462
Project costs		113,752	144,246
Payroll expenses	6	335,767	239,140
Other operating expenses	7	82,619	59,012
Total operating expenses	26	532,138	442,397
Operating result before depreciation, amortization and impairment		195,024	179,065
Impairment, depreciation and amortization	11,12	95,964	110,368
Net operating profit		99,060	68,697
Financial income		37,336	29,136
Financial expenses		73,221	74,377
Net financial items	8,26	(35,885)	(45,241)
Profit before tax		63,175	23,456
Income tax	9	25,708	11,307
Net profit for the year		37,466	12,150
Profit attributable to equity holders		37,466	12,150
		37,466	12,150
Profit per share from continuing operations (NOK)	10	7.47	2.42
Profit per share including discontinuing operations (NOK)	10	7.47	2.42



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Enhanced Drilling Holding AS	Figures in TNOK	
	2024	2023
Consolidated Statement of Comprehensive Income		
Net profit for the year	37,466	12,150
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Currency translation differences	(6,666)	(2,097)
Cash flow hedge	-	1,584
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	(6,666)	(513)
Total comprehensive profit for the period	30,800	11,637



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Enhanced Drilling Holding AS

Figures in TNOK

Consolidated Balance as of 31 December

Assets	Note	2024	2023
Non-current assets			
Intangible assets			
Deferred tax assets	9	97,114	121,125
Other intangibles	11	42,868	44,041
Goodwill	11	77,492	77,492
Total intangible assets		217,474	242,658
Tangible fixed assets			
Machinery and operating equipment	12	589,501	589,627
Total tangible fixed assets		589,501	589,627
Financial non-current assets			
Long term receivables	13	66	138
Total financial non-current assets		66	138
Total non-current assets		807,041	832,423
Current assets			
Inventories			
Inventories	14	96,227	60,607
Total inventories		96,227	60,607
Current receivables			
Trade receivables	15,26	147,025	86,399
Other receivables	16,26	101,551	43,172
Total current receivables		248,576	129,571
Financial assets at fair value			
Financial assets at fair value	24	-	-
Total financial assets at fair value		-	-
Bank deposits, cash in hand, etc.			
Bank deposits, cash in hand, etc.	17	6,098	5,987
Total bank deposits, cash in hand, etc.		6,098	5,987
Total current assets		350,901	196,165
Total assets		1,157,942	1,028,588



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Enhanced Drilling Holding AS

Figures in TNOK

Consolidated Balance as of 31 December


Equity and liabilities	Note	2024	2023
Equity			
Paid in equity			
Share capital		15,056	15,056
Share premium fund		493,664	493,664
Total paid in equity	18	<u>508,721</u>	<u>508,721</u>
Earned equity			
Retained earnings		(232,271)	(276,820)
Total earned equity		<u>(232,271)</u>	<u>(276,820)</u>
Total equity		<u>276,450</u>	<u>231,901</u>
Liabilities			
Provisions for liabilities			
Deferred tax	9	24,552	28,644
Total provisions for liabilities		<u>24,552</u>	<u>28,644</u>
Non-current liabilities			
Debt to credit institutions	19	-	-
Deferred revenue, grants received for R&D	20	10,880	9,353
Other long term liabilities	21,26	662,230	595,436
Total non-current liabilities		<u>673,110</u>	<u>604,789</u>
Current liabilities			
Debt to credit institutions	19	-	-
Trade payables		102,526	99,596
Income tax payable	9	1,932	(769)
Other taxes payable		14,458	13,828
Other current liabilities	22,26	64,914	50,599
Total current liabilities		<u>183,830</u>	<u>163,254</u>
Total liabilities		<u>881,492</u>	<u>796,687</u>
Total equity and liabilities		<u>1,157,942</u>	<u>1,028,588</u>

Straume, 06.06.2025

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Kjetil Lunde
Chairman/CEO

Signed by:

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Gunnhild Eide Søvik
Board member

Signed by:

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Lars Foldnes-Halvorsen
Board member



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Enhanced Drilling Holding AS
Consolidated Statement of Changes in Equity

Figures in TNOK

	Share capital	Share premium fund	Other paid in capital	Total paid in equity	Translation effects	Retained earnings	Total equity
Closing balance 31.12.2022	15,056	234,334	254,037	503,427	(6,881)	(281,576)	214,970
Profit for the period	-	-	-	-	-	12,150	12,150
Group contribution	-	-	5,294	5,294	-	-	5,294
Other comprehensive income	-	-	-	-	(513)	-	(513)
Adjustment to equity for 2023	-	-	5,294	5,294	(513)	12,150	16,930
Closing balance 31.12.2023	15,056	234,334	259,331	508,721	(7,394)	(269,426)	231,900
Profit for the period	-	-	-	-	-	37,466	37,466
Group contribution	-	-	-	-	-	13,749	13,749
Other comprehensive income	-	-	-	-	(6,666)	-	(6,666)
Adjustment to equity for 2024	-	-	-	-	(6,666)	51,215	44,549
Closing balance 31.12.2024	15,056	234,334	259,331	508,721	(14,060)	(218,211)	276,449



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Enhanced Drilling Holding AS		Figures in TNOK	
Consolidated Statement of Cash Flows			
	Note	2024	2023
Operating activities			
Profit (loss) before taxes from continuing operations		63,175	23,456
Profit (loss) before taxes from discontinued operations		-	-
Profit (loss) before tax		63,175	23,456
Non-cash adjustments to reconcile profit (loss) before tax to net cash flows			
Impairment, depreciation and amortization	11,12	95,964	110,368
Finance income	8	(37,336)	(29,136)
Finance costs	8	73,221	74,377
Working capital adjustments:			
Increase in trade and other receivables and prepayments		(118,933)	(22,096)
Increase in inventory		(35,620)	(17,844)
Increase in trade and other payables		2,930	8,555
Increase (decrease) in other provisions		42,641	(7,937)
		86,041	139,743
Interest received		1,822	537
Income tax paid		(3,079)	(2,882)
Net cash flow from operational activities		84,783	137,397
Investing activities			
Proceeds from sale of property, plant and equipment and intangible assets	11,12	-	1,043
Capital expenditure for property, plant and equipment and intangible assets	11,12	(86,628)	(108,291)
Net cash flows used in investing activities		(86,628)	(107,247)
Financing activities			
Proceeds from borrowings		100,000	47,882
Repayment of borrowings		(93,419)	(75,626)
Proceeds from equity		-	6,786
Interest paid		(4,625)	(5,567)
Net cash flow from (used) in financing activities		1,956	(26,525)
Net increase in cash and cash equivalents		111	3,625
Cash and cash equivalents at start of period		5,987	2,362
Cash and cash equivalents at end of period	17	6,098	5,987



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Note 1 Company Information

Enhanced Drilling Holding AS (the Company) and its subsidiaries (together 'the Group'), is a leading supplier of services and technology to the global oil and gas offshore industry. The Group's main operations are based at Straume (near Bergen), Norway. Offices and workshops globally include Oslo in Norway, Houston in the US, and Perth in Australia.

The company is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Smålonane 16, 5353 Straume.

Note 2 Basis of Preparation

The consolidated financial statements of Enhanced Drilling Holding AS, for the full year 2024 were authorized for issue in accordance with the resolutions of the Board of Directors 06.06.2025.

Statement of compliance

The consolidated financial statements have been prepared in accordance with the Norwegian Accounting Act, Norwegian Generally Accepted Accounting Practice (NGAAP) and IFRS Light.

Note 3 Accounting Principles

Significant accounting policies

The financial statements are prepared under the historical cost convention with some exceptions, as detailed in the accounting policies set out below. These policies have been applied consistently to all periods presented in these consolidated financial statements.

The financial year follows the calendar year. Income statement items are classified by nature.

The functional currency of Enhanced Drilling Holding AS is the Norwegian krone

(NOK). The consolidated financial statements are presented in NOK.

As a result of rounding adjustments, the figures in one columns included in the financial statements may not add up to the total of that column.

Basis of consolidation

The consolidated financial statements include the accounts of Enhanced Drilling Holding AS and its subsidiaries, which are entities in which Enhanced Drilling Holding AS has the power to govern the financial and operating policies of the entity (control). Control is normally achieved through ownership, directly or indirectly, of more than 50 percent of the voting power. Currently, Enhanced Drilling Holding AS has more than 50 percent of the voting power in all subsidiaries. Subsidiaries are included from the date control commences until the date control ceases.

Intercompany transactions and balances have been eliminated. Profits and losses resulting from intercompany transaction have been eliminated.

Reportable segments

The Group identifies its operating segments on the basis of those components of Enhanced Drilling Holding that are regularly reviewed by the chief operating decision maker. Enhanced Drilling Holding combines operating segments when these satisfy relevant aggregation criteria.

The Group's accounting policies as described in this note also apply to the specific financial information included in the reportable segments related disclosure in these consolidated financial statements.



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Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency of the entity by applying the rate of exchange as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange at the balance sheet date. Realized and unrealized currency gains or losses are included in Financial expense.

Presentation currency

For consolidation purposes, the financial statements of subsidiaries with a functional currency other than Norwegian kroner (NOK) are translated into NOK. Assets and liabilities are translated using the rate of exchange as of the balance sheet date. Income, expenses and cash flows are translated using the average exchange rate for the reported period. Translation adjustments are recognized in Other comprehensive income and accumulated in Currency translation reserve in Other components of equity. On disposal of such subsidiary the cumulative translation adjustment of the disposed entity is recognized in the income statement.

Business combinations

Determining whether an acquisition meets the definition of a business combination requires judgement to be applied on a case by case basis. Acquisitions are assessed under the relevant IFRS criteria to establish whether the transaction represents a business combination or an asset purchase.

Business combinations, except for transactions between entities under common control, are accounted for using the acquisition method of accounting. The acquired identifiable tangible and intangible assets, liabilities and contingent liabilities are measured at their fair values at the date of the acquisition.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

Revenue includes only the gross inflows of economic benefits received and receivable by the entity on its own account. Amounts collected on behalf of third parties such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue. Similarly, when an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Group's operations mainly consist of services related to personnel and equipment hire.

Revenue is measured based on the consideration specified in a contract with a customer. Enhanced Drilling Holding recognizes revenue when the Group transfers control over a goods or service to



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a customer. A five-step process is applied before revenue can be recognized.

- identify contracts with customers
- identify the separate performance obligation
- determine the transaction price of the contract
- allocate the transaction price to each of the separate performance obligation, and
- recognize the revenue as each performance obligation is satisfied

Revenues relating to projects are recognized in the income statement in line with delivery of the service. For projects expected to generate a loss, the full estimated loss is recorded as cost immediately.

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognized using the original effective interest rate.

Public grants

Government grants are recognized in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. Grants are recognized when there is a reasonable assurance that the Group will comply with relevant conditions and the grants will be received. Government grants are deferred in Other non-current liabilities until the associated activity is performed or expenses recognized. Investment grants are recognized over the period the

associated asset is depreciated. Grants are recognized in Other income, net.

Other income, net

Transactions resulting in income from activities other than normal sales operations are classified as Other income, net. This includes gains resulting from the sale property, plant and equipment, investments in subsidiaries as well as government grants, insurance compensation and rental revenue.

Classification of assets and liabilities

Assets are classified as current assets when:

- the asset is a part of the unit's service cycle and is expected to be realized or used during the course of the unit's normal production period;
- the asset is held for trading purposes and is expected to be realized within 12 months of balance sheet date;
- the asset is cash or cash equivalent

All other assets are classified as non-current.

Liabilities are classified as current liabilities when:

- the liability is a part of the unit's service range, and is expected to be settled during the course of normal production period;
- the liability is kept for trading purposes;
- settlement has been agreed within 12 months after balance sheet date;
- the unit does not have an unconditional right to postpone settlement of the liability until at least 12 months after balance sheet date;



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All other liabilities are classified as non-current.

Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination.

(b) Trademarks and licenses

Separately acquired trademarks and licenses are shown at historical cost. Trademarks and licenses acquired in a business combination are recognized at fair value at the acquisition date. Trademarks and licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives of 15 to 20 years.

(c) Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the

straight-line method over the expected life of the customer relationship (3-8 years).

(d) Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (3-4 years).

Costs associated with maintaining computer software are recognized as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that are probable to generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognized as assets are amortized over their estimated useful lives (3-4 years).

(e) Research and development

Expenses relating to research are recognized in the income statement when they are incurred. Expenses relating to development are recognized in the income statement when they are incurred unless the following criteria are met in full:

- ability to measure reliably the expenditure attributable to the intangible asset during its development;
- the technical feasibility of completing the intangible asset so that it will be available for use or sale, has been demonstrated;
- the intention and ability to complete the intangible asset and sell it or use it in the company's operations has been demonstrated;



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- the intangible asset will generate probable future economic benefits; and

- availability of sufficient technical, financial and other resources for completing the project are present.

When all the above criteria are met, the costs relating to development start to be recognized in the balance sheet. Costs that have been charged as expenses in previous accounting periods are not recognized in the balance sheet.

Recognized development costs are depreciated on a straight-line basis over the estimated useful life of the asset (5-8 years). The recoverable amount of the development costs will be estimated when there is an indication of impairment or that the need for previous periods' impairment losses no longer exists and should be reversed to the original cost.

(f) Other intangible assets

Acquired technology, licenses and customer relationships are capitalized and carried at cost less accumulated amortization.

Amortization is calculated using the straight-line method over their estimated useful lives.

Property, plant and equipment

Property, plant and equipment is recognized in the balance sheet at acquisition cost when there are probable future economic benefits and the cost can be measured reliably. The carrying value of property, plant and equipment is comprised of the historical cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment comprises the purchase price, including duties/taxes and direct acquisition costs linked to making the asset fit for use. Expenses incurred after the asset has been taken into use, such as repairs and

maintenance, are normally recognized in the income statement. In cases where increased earnings can be demonstrated as a result of repairs/maintenance, the expenditure on this will be recognized in the balance sheet as additions to property, plant and equipment.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- Machinery 3-15 years
- Vehicles 3-5 years
- Furniture, fittings and equipment 3-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Assets under construction are classified as property, plant and equipment. Assets under construction are not depreciated.

Depreciation begins when the assets is available for use, and continues until the asset has been derecognized even if it is idle.

The write-down requirement for fixed assets is assessed if there are indications of impairment. If the carrying amount of an asset is higher than the recoverable amount, a write-down is recognized in the income statement. The recoverable amount is the higher of fair value less expected costs to sell and value in use.

Fair value less expected costs to sell is the amount which can be obtained if the asset is sold to an independent third party, less costs to sell. Recoverable amounts are determined separately for all assets, but – if impossible – recoverable amount is calculated together with the unit to which the asset belongs.



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Write-downs which have been recognized in the income statement in previous periods are reversed if there is information to suggest that the write-down no longer exists. However, no reversal is made if the carrying amount is higher than it would have been if normal depreciation had been used.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'other operating revenue' in the income statement.

IFRS 16 Leases

IFRS 16 implemented from 2019 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and a corresponding lease liability. The lease liability represents the net present value of the lease payments to be made over the remaining lease period. The right-to-use asset is depreciated over the lease term. For the Group this mainly applies to office buildings and other facilities. Short-term and low value lease agreements are exempted from IFRS 16 and accounted for as operating expenses.

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than

goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.



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Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognized at fair value and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category is presented in the income statement.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;

- a breach of contract, such as a default or delinquency in interest or principal payments;

- the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;

- it becomes probable that the borrower will enter bankruptcy or other financial reorganization;

- the disappearance of an active market for that financial asset because of financial difficulties; or

- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

- (i) adverse changes in the payment status of borrowers in the portfolio;

- (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognized in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure



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impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated income statement.

Inventories

Inventories are valued at the lower of cost, using the first-in, first-out method (FIFO), or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses. Inventory cost includes direct purchase costs, cost of production, transportation and manufacturing expenses.

Inventory write-downs to net realizable value occurs when the cost of the inventory is not recoverable and is reversed in later periods when there is clear evidence of an increase in the net realizable value.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet includes cash, bank deposits and all other monetary instruments with a maturity of less than three months from the date of acquisition, and are measured at nominal value. Cash and cash equivalents in the statement of cash flows is presented net of outstanding bank overdrafts connected to cash management activities.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the

borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In this case, the tax is also recognized in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business



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combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income 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 income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employee benefits

(a) Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to

employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

(c) Bonus plans

The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



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Provisions

Provisions are recognized when, and only when, the company has a present liability (legal or constructive) as a result of events that have taken place, it is probable that a financial outflow will take place as a result of this liability, and that the size of the amount can be estimated reliably. Provisions are reviewed on each balance sheet date and their level reflects the best estimate of the liability. When the effect of time is insignificant, the provisions will be equal to the size of the expense necessary to be free of the liability. When the effect of time is significant, the provisions will be the present value of future payments to cover the liability. Any increase in the provisions due to time is presented as interest costs.

Contingent liabilities

Contingent liabilities are defined as:

- (i) possible obligations resulting from past events whose existence depends on future events;
- (ii) obligations that are not recognized because it is not probable that they will lead to an outflow of resources; and
- (iii) obligations that cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the annual financial statements, apart from contingent liabilities which are acquired through the acquisition of an entity. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

Contingent liabilities acquired upon the purchase of operations are recognized at fair value even if the liability is not probable. The assessment of probability and fair value is subject to constant review. Changes in the fair value are recognized in the income statement.

A contingent asset is not recognized in the annual financial statement unless deemed virtually certain to give rise to an inflow, but are disclosed where it is deemed probable that a benefit will accrue to the Group.

Cash Flow Statement

The cash flow statement has been prepared in line with the indirect model. The cash flow statement presents the accumulated cash flow for operational, investment and financial activities. The statement outlines the effect each activity has on liquid assets.

New standards and interpretations not yet adopted

Other standards, amendments to standards, and interpretations of standards, issued but not yet effective, are either not expected to materially impact the Group's Consolidated financial statements, or are not expected to be relevant to the Group's Consolidated financial statements upon adoption.



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4 Revenue	Figures in TNOK	
Revenue from customer contracts	2024	2023
Revenue from sale of services	705,789	601,016
Revenue from sale of goods	16,430	17,519
Total revenue from customer contracts	722,219	618,535
Other revenue	2024	2023
Revenue from rental of premises	145	554
Profit from sale of fixed assets	530	1,043
Revenue from recognised grants	1,088	1,321
Revenue from other sales	3,179	9
Total other revenue	4,942	2,927
Total revenue	727,162	621,462

Geographical segment reporting represents external customer sales based on the location of the customer.

Total revenue	2024	2023
Norway	261,913	236,134
Europe ex. Norway	107,320	148,184
Australia	103,585	66,864
America	254,343	170,779
Asia	-	(500)
Africa	-	-
Total	727,162	621,462



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5 Segments

Figures in TNOK

Segment information for 2024 and 2023 is reported in accordance with the reporting to Group Executive Management (chief operating decision makers) and is consistent with financial information used for assessing performance and allocating resources. The accounting principles for the segment reporting are consistent with those applied by the Group. Segment result is defined as EBITDA before other income and expenses.

The Group's reportable segments are based on the business activities and geographical location. The main products and services are EC-Drill - Managed Pressure Drilling system, RMR - Riserless Mud Recovery system, MPC - Managed Pressure Cementing System, and CTS - Cuttings Transportation system.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and EBITDA and is measured consistently with operating profit or loss and EBITDA in the consolidated financial statements. However, Group financing and income taxes are managed on a Group basis.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Geographical segments 2024	Australia	Azerbaijan	Brasil	Norway	UK	USA	Elim	Total
Profit and loss Account								
External operating revenues	103,585	63,225	-	305,827	674	253,851	-	727,162
Intercompany operating revenues	172	-	-	200,445	(0)	4,647	(205,264)	-
Project expenses/payroll expenses	(70,083)	(26,713)	-	(296,700)	0	(214,877)	158,855	(449,519)
Other operating expenses	(14,299)	(2,134)	(854)	(32,399)	(3,247)	(56,549)	26,863	(82,619)
EBITDA¹	19,375	34,378	(854)	177,172	(2,572)	(12,929)	(19,546)	195,024
Impairment, depreciation and amortisation	(1,156)	-	-	(88,189)	-	(6,619)	-	(95,964)
Operating profit (loss)	18,219	34,378	(854)	88,983	(2,572)	(19,548)	(19,546)	99,059
Net financial items	869	(14)	(1,986)	(34,205)	2,404	(2,953)	-	(35,885)
Tax	(3,191)	(3,074)	(6)	(23,895)	(99)	4,556	-	(25,708)
Balance								
Non-current assets	1,927	-	5,398	806,922	14,368	51,859	(73,432)	807,041
Total assets	16,163	-	5,895	1,247,779	15,783	190,622	(318,300)	1,157,942
Capex	1,637	-	-	81,095	-	10,282	-	93,014
Segment information 2023								
Profit and loss Account								
External operating revenues	66,864	44,075	-	322,042	30,269	158,212	-	621,462
Intercompany operating revenues	1,127	-	-	165,641	(0)	18,739	(185,508)	-
Project expenses/payroll expenses	(46,075)	(34,156)	-	(267,622)	(11,782)	(153,223)	129,473	(383,386)
Other operating expenses	(9,049)	(2,089)	(864)	(30,903)	(17,897)	(38,344)	40,135	(59,011)
EBITDA¹	12,867	7,830	(864)	189,158	591	(14,617)	(15,900)	179,065
Depreciation and amortisation	(676)	-	-	(105,685)	(525)	(3,482)	(0)	(110,368)
Operating profit (loss)	12,191	7,830	(864)	83,473	65	(18,099)	(15,900)	68,697
Net financial items	(2,479)	4	1,323	(42,172)	1,786	(3,703)	-	(45,240)
Tax	-	(3,061)	(6)	(9,939)	(2,969)	4,669	-	(11,307)
Balance								
Non-current assets	1,442	-	6,332	834,781	28,058	39,531	(77,721)	832,423
Total assets	24,564	-	6,731	1,157,482	28,790	122,685	(311,664)	1,028,588
Capex	1,186	-	-	102,062	-	10,863	-	114,111

¹ EBITDA is short for Earnings Before Interest, Tax, Depreciation and Amortization, excluding stock write downs and is a non-GAAP measure which management uses to measure operations.



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6 Payroll Expenses

Figures in TNOK

	2024	2023
Wages	265,993	192,992
Employers' social security contributions	31,254	23,242
Pension costs	16,236	11,472
Other remunerations	11,635	10,283
Hired personnel	20,933	15,452
Capitalised wages	(10,283)	(14,301)
Total	335,768	239,139
Average number of man-labour years	187	149

Several new employees have been onboarded during 2024 and 2023 in line with increased activity. At year end the group had 193 (153) fixed employees.

Accumulated expenses for wages, pension premiums and other remuneration to managing director, other Group executives and members of the parent company's board accordingly for 2024 and 2023 were:

2024	Wages	Bonus	Pension premiums	Other remuneration	Total
CEO - Kjetil Lunde	2,682	919	100	22	3,723
Total	2,682	919	100	22	3,723

2023	Wages	Bonus	Pension premiums	Other remuneration	Total
CEO - Kjetil Lunde	2,394	1,028	93	24	3,538
Total	2,394	1,028	93	24	3,538

Per 31.12.2024 and 31.12.2023 there are no loans or guarantees to the CEO or to members of the board. No related parties to these have loans or guarantees from the group.

An annual companywide bonus scheme has been implemented in 2022. The CEO has a performance-based bonus agreement. Bonus may not exceed 50% of the annual salary for CEO.



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6 Payroll Expenses (cont.)

Figures in TNOK

The Group companies provide various retirement plans in accordance with the local regulations and practice in the countries in which they operate.

Contribution plan

Defined contribution plans require the companies to make agreed contributions to a separate fund when employees have rendered services entitling them to contributions. The companies have no legal or constructive obligations to pay further contributions.

Defined benefit plan

Enhanced Drilling Holding participates in a supplementary pension plan that entitles its Norwegian employees' life-long benefits in addition to other pension benefits. The benefits are financed through a pooled arrangement by private sector employers (avtalefestet pensjon, AFP) where also the Norwegian state contributes. The plan is a defined benefit plan with limited funding and where plan assets are not segregated. The information required to calculate the share of the plan and account for the plan as a defined benefit plan is not available from the plan administrator. Enhanced Drilling Holding therefore accounts for the plan as if it were a defined contribution plan. The employer contributions are included in contribution plan.

	2024	2023
Cost contribution plan	16,236	11,472
Cost defined benefit scheme	-	-
Total pension costs	16,236	11,472

	2024	2023
Pension commitments	818	872
Total pension commitments	818	872

7 Other Operating Expenses

Figures in TNOK

Auditor's fee

The Board has reviewed the level and distribution of fees paid to our auditors, and considers them to be appropriate.

Specification of auditor's fee excl. VAT	2024	2023
Fees for audit of annual accounts	1,277	910
Fees for other attestation services	-	22
Fees for tax-related services	511	706
Fees for other services	14	3
Total	1,802	1,641

8 Financial Income and Expenses

Figures in TNOK

	2024	2023
Interest income	1,822	537
Currency gain	35,497	28,568
Other financial income	18	31
Financial income	37,336	29,136
Interest expense	60,715	50,139
Currency loss	12,282	24,033
Other financial expense	224	205
Financial expenses	73,221	74,377
Net financial items	(35,885)	(45,241)



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9 Tax

Figures in TNOK

Deferred income 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 income taxes relate to the same fiscal authority.

	2024	2023
Current income tax expense Norway	726	(1,493)
Current income tax expense abroad	6,369	2,994
Changes in deferred tax Norway	23,169	14,400
Change in deferred tax abroad	(4,556)	(4,594)
Income tax expense (from continuing operations)	25,708	11,305
Reconciliation of tax payable		
Tax payable in profit and loss account	1,926	-
Prepaid tax	(3,073)	(4,220)
Tax, international	3,079	3,451
Tax payable in balance sheet	1,932	(769)
Reconciliation of nominal and effective tax rate		
Pre-tax result	63,175	23,456
Applicable tax with tax rate 22%	13,898	5,160
Variance, actual and expected income tax expense	11,810	6,145
Explanation of why actual tax cost deviates from expected tax cost		
Tax effect from non-deductible costs	2,476	2,883
Tax effect from non-taxable income	-	(1)
Tax effect from impairment	-	1,672
Tax losses for which no deferred income tax asset was recognised	4,629	(2,464)
International tax rate deviates from Norwegian tax rate	4,704	4,057
Variance compared to applicable tax rate	11,810	6,147
Deferred tax assets as of 31.12.	97,114	121,125
Deferred tax liability as of 31.12.	24,552	28,644
Balance sheet value	(72,562)	(92,481)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The tax losses are connected to previous year's tax losses.

The Group have not recognised deferred income tax assets of TNOK 48,948 (36,330) in respect of losses amounting to TNOK 212,289 (149,065), related to Australian, Norwegian, UK, and US companies, that can be carried forward against future taxable income.

Tax losses in Australia, Norway, US and UK can be offset against future taxable profit, and there is no limit for usage. Deferred tax assets will be booked when there is convincing evidence for future taxable profit. Interest cut off on intra group loans may be carried forward for deduction in the ten following income years.

Below is a specification of temporary differences between accounting and tax values, as well as calculation of deferred tax/ tax advantage at the end of the financial year.

	2024	2023
Basis for deferred tax		
Fixed assets and intangible assets	202,481	189,347
Balanced lease agreements	(1,751)	(1,615)
Foreign Tax credits	(1,108)	(997)
Profit and loss account	(325)	(406)
Interest cut off on intra group loans	(77,951)	(54,009)
Loss carried forward	(605,692)	(686,095)
Amount linked to long-term balance sheet items	(484,346)	(553,775)
Inventory	(1,000)	(1,000)
Receivables	(40,400)	(57,800)
Other current balance sheet items	(22,807)	(17,225)
Amount linked to current balance sheet items	(64,207)	(76,025)
Total basis for deferred tax assets	(548,553)	(629,799)



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10 Earnings Per Share

Figures in TNOK

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares. There are no dilution effects as the company has no convertible bond or stock option plan.

Basis for calculation of earnings per share	2024	2023
Net result allocated to shareholders from continuing operations	37,466	12,150
Net result allocated to shareholders including discontinued operations	37,466	12,150
Weighted average number of outstanding shares excluding treasury shares	5,019	5,019
Earnings per share from continuing operations (NOK)	7.47	2.42
Earnings per share including discontinuing operations (NOK)	7.47	2.42



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11 Intangible Assets and Goodwill

Figures in TNOK

	Goodwill	Self-developed patent/ development project	Total
2024			
Historical cost 01.01.	77,492	254,606	332,098
Additions	-	1,388	1,388
Disposals	-	-	-
Conversion variances	-	-	-
Historical cost 31.12.	77,492	255,994	333,485
Accumulated amortization 01.01.	-	133,577	133,577
Amortization of the year	-	2,561	2,561
Disposals amortization during the year	-	-	-
Conversion variances	-	-	-
Amortization 31.12.	-	136,138	136,138
Accumulated impairments 01.01.	-	76,988	76,988
Impairments for the year	-	-	-
Conversion variances	-	-	-
Accumulated impairments 31.12.	-	76,988	76,988
Book value 31.12.	77,492	42,868	120,360
Amortization rates		5-20 years	
Amortization method		Linear	
Self-developed assets are started amortized when they are fully developed.			

	Goodwill	Self-developed patent/ development project	Total
2023			
Historical cost 01.01.	77,492	238,465	315,957
Additions	-	16,141	16,141
Disposals	-	-	-
Exchange differences	-	-	-
Historical cost 31.12.	77,492	254,606	332,098
Accumulated amortization 01.01.	-	126,143	126,143
Amortization of the year	-	7,434	7,434
Disposals amortization during the year	-	-	-
Conversion variances	-	-	-
Amortization 31.12.	-	133,577	133,577
Accumulated impairments 01.01.	-	76,988	76,988
Impairments for the year	-	-	-
Conversion variances	-	-	-
Accumulated impairments 31.12.	-	76,988	76,988
Book value 31.12.	77,492	44,041	121,533
Amortization rates		5-20 years	
Amortization method		Linear	
Self-developed assets are started amortized when they are fully developed.			

Goodwill for each acquisition	2024	2023
IKM Cleandril AS	37,800	37,800
Ocean Riser Systems AS	39,692	39,692

Goodwill is related to synergy gains from the acquisition of IKM Cleandril AS and Ocean Riser Systems AS, and is the assessment unit for goodwill.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

The key assumptions used for value-in-use calculations are as follows:

	2024	2023
Margin	37.0 %	38.0 %
Discount rate	14.4 %	15.2 %



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12 Machinery and Operating Equipment

Figures in TNOK

2024	Right of use assets		Machinery and operating equipment		Total
	Building				
Historical cost 01.01.	60,470	518	1,592,048		1,653,036
Additions	6,386	-	85,241		91,627
Disposals	(6,149)	-	(953)		(7,102)
Conversion variances	1,350	-	2,004		3,354
Historical cost 31.12.	62,057	518	1,678,340		1,740,915
Accumulated depreciation 01.01.	34,250	419	952,941		987,610
Depreciation of the year	9,928	44	83,431		93,403
Disposals depreciation during the year	(3,879)	-	(953)		(4,832)
Conversion variances	759	-	793		1,551
Accumulated depreciations 31.12.	41,057	463	1,036,213		1,077,732
Accumulated impairments 01.01	2,072	-	73,727		75,799
Impairment of the year	-	-	-		-
Disposals impairment during the year	(2,269)	-	-		(2,269)
Conversion variances	197	-	(45)		153
Accumulated impairments 31.12.	0	-	73,682		73,682
Book value 31.12.	21,000	55	568,445		589,501
Depreciation rates	3 - 8 years	8 years	3 - 15 years		
Depreciation method	Linear	Linear	Linear		

2023	Right of use assets		Machinery and operating equipment		Total
	Building				
Historical cost 01.01	54,023	446	1,711,161		1,765,630
Additions	5,821	72	92,078		97,971
Disposals	-	-	(211,500)		(211,500)
Conversion variances	627	-	310		936
Historical cost 31.12.	60,470	518	1,592,048		1,653,036
Accumulated depreciation 01.01	25,542	366	1,069,942		1,095,850
Depreciation of the year	8,526	53	94,355		102,934
Disposals depreciation during the year	-	-	(211,448)		(211,448)
Conversion variances	182	-	91		274
Accumulated depreciations 31.12.	34,250	419	952,941		987,610
Accumulated impairments 01.01	1,905	-	73,727		75,631
Impairment of the year	-	-	-		-
Disposals impairment during the year	-	-	-		-
Conversion variances	167	-	-		167
Accumulated impairments 31.12.	2,072	-	73,727		75,799
Book value 31.12.	24,148	99	565,380		589,627
Depreciation rates	3 - 8 years	8 years	3 - 10 years		
Depreciation method	Linear	Linear	Linear		

Based on assessment of future demand, operational experience and maintenance records, the lifespan of Enhanced Drilling EC Drill systems was in 2023 increased from 8 to 15 years. Subsequently, depreciation and carrying amount was re-calculated for FY23.

The Group has implemented IFRS 16, resulted in long term rental agreements of offices and workshop facilities in addition to rented machinery are being treated as financial leasing.

The value of right to use assets is calculated by the sum of all future rent obligations, discounted to the implementation date by applying discount rate of 8%. The right to use assets are depreciated by straight line over the remaining rental period.



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13	Financial Non-Current Assets	Figures in TNOK	
		2024	2023
	Security deposit	66	138
	Long term receivables 31.12.	66	138
14	Inventories	Figures in TNOK	
		2024	2023
	Stocks	-	-
	Work in progress	-	-
	Finished goods	96,227	60,607
	Inventories 31.12.	96,227	60,607
All amounts are net of any write-downs for obsolescence. For 2024 and 2023 the total accumulated write-down for obsolescence included in inventory is TNOK 1 000.			
15	Trade Receivables	Figures in TNOK	
		2024	2023
	Trade debtors at nominal value	98,085	71,272
	Revenues not invoiced	48,940	15,127
	Provisions for bad debt	-	-
	Trade receivables 31.12.	147,025	86,399
16	Other Receivables	Figures in TNOK	
		2024	2023
	Other taxes receivables	19,328	6,562
	Advanced payments to suppliers	31,188	27,859
	Overseas withholding taxes	-	4
	Advanced payments employees	60	1,473
	Other prepaid expenses	17,573	57
	Receivables from related parties	32,572	-
	Other current assets	829	7,217
	Other current receivables 31.12.	101,550	43,172
17	Cash and Cash Equivalents	Figures in TNOK	
		2024	2023
	Cash	-	-
	Bank deposits	6,098	5,987
	Cash and cash equivalents 31.12.	6,098	5,987
	Of which is restricted deposits	278	256
	Unused overdraft facilities 31.12.	63,000	25,848



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18 Share Capital and Shareholder Information

At 31 December 2024 and 2023 the company had a share capital of TNOK 15 056 distributed in 5 018 085 shares, each with a face value of NOK 3.

All issued shares are fully paid. The company has one share class, and all shares have equal voting and dividend rights.

Shareholders	2024		2023	
	Number of shares	Equity interest	Number of shares	Equity interest
Enhanced Well Technologies AS	5,018,695	100%	5,018,695	100%
Total shareholders	5,018,695	100%	5,018,695	100%

	Number of shares	Share capital (TNOK)	Share premium (TNOK)	Other paid in capital (TNOK)	Total (TNOK)
31.12.22	5,018,695	15,056	234,334	254,037	503,427
Group contribution 2023	-	-	-	5,294	5,294
31.12.23	5,018,695	15,056	234,334	259,331	508,721
	-	-	-	-	-
31.12.24	5,018,695	15,056	234,334	259,331	508,721



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19 Borrowings	Figures in TNOK				
	2024	2023			
Long-term debt to credit institutions	-	-			
Total long-term debt to credit institutions	-	-			
	2024	2023			
First year installment on long-term debt	-	-			
Total short-term debt to credit institutions	-	-			
	2024	2023			
Guaranteed liabilities	-	-			
Total guaranteed liabilities	-	-			
Average interest rate NOK loans	-	0.0 %			
Amortization profile Debt to Credit Institutions	2025	2026	2027	Thereafter	Total
Long-term loans	-	-	-	-	-
Total	-	-	-	-	-

20 Deferred Revenue, Grants Received for R&D

Figures in TNOK

The Group has received grants from the Research Council of Norway in connection with research and developments projects. No terms and conditions apply to these grants.

The grants from the Research Council of Norway are recognised in the balance sheet and are posted as revenue in line with depreciation on the fixed assets to which they are linked.

	2024	2023
Other long term liability	1,818	2,122
Received during the year	-	351
Released to the income statement	(422)	(655)
Public grants	1,396	1,818
Other grants	9,484	7,535
Total	10,880	9,353



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21 Leases

Figures in TNOK

The company has adopted IFRS 16 using the simplified approach. The company has implemented the standard by applying the exceptions in the standard to exclude short-term and low-value leases. See note 12 for capitalized right of use assets. Short term leases, low value leases and variable elements of lease agreements as shared cost and government charges are all recognised as operating expenses. Ordinary utility cost is not included as part of this note.

The Group has entered into the following operating lease agreements for tangible assets not recognised in the balance sheet, but expensed as incurred:

	2024	2023
Land, buildings and permanent property	1,268	3,380
Apartments	348	538
Machinery and operating equipment	1,669	353
Total	3,285	4,271

The Group has entered into lease agreements for premises, among others at Straume in Norway, Aberdeen in the UK, Houston in USA, Perth in Australia. Duration of leases from 1 to 6 years.

Lease liabilities	2024	2023
IFRS 16 lease liabilities	22,320	25,934
Lease liabilities related to lease contracts	20,241	29,149
Total	42,561	55,083

22 Other Current Liabilities

Figures in TNOK

	2024	2023
Holiday pay and wages due	28,469	28,222
Advances from customers	36,446	11,194
Accrued costs	-	1,308
Other current liabilities, related parties	-	9,876
Total	64,915	50,600



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23 Financial Risk Management and Exposures (cont.)

Figures in TNOK

Financial risk factors

The Group's activities are exposed to a variety of financial risks. Market risks including currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the AUD, EUR, GBP, and USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. As of 31 December 2024 and 2023, the Group had no foreign exchange contracts to hedge future sales to customers.

(ii) Price risk

The Group is indirectly exposed to changes in the oil price, however current group policy is to not hedge oil price changes.

(iii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

Below is an outline of the Group's total operating revenue, trade receivables and trade payables converted into NOK at balance sheet date:

Currency	2024			2023		
	Currency (1000)	TNOK	Share %	Currency (1000)	TNOK	Share %
Total operating revenue:						
AUD	7,205	51,048	7%	1,736	12,135	2%
EUR	1,505	17,586	2%	-	-	0%
GBP	11	674	0%	2,349	30,090	5%
NOK	332,433	332,433	46%	280,433	280,426	45%
USD	30,282	325,421	45%	28,124	298,811	48%
Total		727,162	100%		621,462	100%

Currency	2024			2023		
	Currency (1000)	TNOK	Share %	Currency (1000)	TNOK	Share %
Trade receivables:						
AUD	-	-	0%	331	2,308	3%
EUR	765	9,028	6%	-	-	0%
NOK	65,963	65,963	45%	30,742	30,742	36%
USD	6,353	72,034	49%	5,229	53,350	62%
Total		147,025	100%		86,399	100%

Currency	2024			2023		
	Currency (1000)	TNOK	Share %	Currency (1000)	TNOK	Share %
Trade payables:						
AUD	116	820	1%	122	851	1%
AZN	1	8	0%	2	11	0%
BRL	34	62	0%	1	1	0%
DKK	91	144	0%	38	57	0%
EUR	92	1,088	1%	363	4,097	4%
GBP	139	1,987	2%	4	47	0%
NOK	85,445	85,445	83%	84,629	84,629	85%
RON	1	3	0%	-	-	0%
SEK	50	51	0%	-	-	0%
USD	1,137	12,918	13%	971	9,903	10%
Total		102,526	100%		99,596	100%



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23 Financial Risk Management and Exposures (cont.)

Figures in TNOK

(b) Credit risk

Credit risk is managed on group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments, and deposits with banks, as well as credit exposure to customers, including receivables and committed transactions.

The majority of the Group's debtors are publicly listed Norwegian and international oil companies. The Group's customers are mainly the large international oil companies with limited to low credit risk potential.

The Group's main bank at 31 December 2024 and 2023 is DNB Bank ASA where the majority of group cash is deposited. In addition, the Group has other local banking relations in countries where DNB does not provide local services.

(c) Liquidity risk

The Group has a customer portfolio with large, medium and small cap customers. Delayed payments from some of the largest customers at the same time could have a significant impact on the Group's liquidity situation. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents on the basis of short-term and long-term cash flow forecasts.

The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
2024				
Borrowings	-	-	-	669,139
Leasing	5,957	6,348	8,250	-
Trade and other payables	167,440	-	-	-
2023				
Borrowings	-	-	-	539,413
Leasing	8,673	5,957	14,518	-
Trade and other payables	150,195	-	-	-

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. There were no dividends in 2024 or 2023.

The gearing ratios, defined as net debt to total capital, at 31 December 2024 and 2023 were as follows:

	2024	2023
Total borrowings and leasing (excluding capitalized arrangement fees)	689,695	568,561
Less: cash and cash equivalents	(6,098)	(5,987)
Net debt	683,597	562,574
Total equity	276,450	231,901
Total capital	1,157,942	1,028,588
Gearing ratio	59%	55%



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24 Derivates

Figures in TNOK

As of 31 December, the Group has no foreign exchange contracts to hedge future sales to customers. Forward exchange derivatives are utilised to hedge currency risk related to projected future sales.

The table below displays the fair value of derivative financial instruments, and the impact on the cash flow hedges on profit and loss and equity, as of 31 December 2024 and 2023.

2024	Assets	Liabilities	Recognized in P&L	Deferred in equity
Foreign exchange contracts	-	-	-	-
Total	-	-	-	-
Non-current portion				
Foreign exchange contracts	-	-		
Non-current portion	-	-		
Current portion	-	-		

2023	Assets	Liabilities	Recognized in P&L	Deferred in equity
Foreign exchange contracts	-	-	-	-
Total	-	-	-	-
Non-current portion				
Foreign exchange contracts	-	-		
Non-current portion	-	-		
Current portion	-	-		

The full fair value of a hedging derivative is classified as a non-current asset or a non-current liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or a current liability, if the maturity of the hedged item is less than 12 months.



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25 Group Entities

Company	Head Office	Owner	Equity interest/ voting share	
			2024	2023
Enhanced Drilling AS	Straume-Norway	Enhanced Drilling Holding AS	100%	100%
Enhanced Drilling Australia Pty Ltd	Perth-Australia	Enhanced Drilling Holding AS	100%	100%
Enhanced Drilling Inc	Houston-USA	Enhanced Drilling Holding AS	100%	100%
Enhanced Drilling Services do Brasil Ltda	Rio de Janeiro-Brasil	Enhanced Drilling Holding AS	100%	100%
Enhanced Drilling UK Ltd	Aberdeen-UK	Enhanced Drilling Holding AS	100%	100%
IKM Cleandril Australia Pty Ltd *)	Perth-Australia	Enhanced Drilling AS	-	100%

*) All business in Australia is executed by Enhanced Drilling Australia Pty Ltd.
IKM Cleandril Australia is dormant, and under liquidation as of 31.12.2023. The company was deregistered 20th April 2024.



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26 Related Parties

Figures in TNOK

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Operating revenue	2024	2023
Shell Ventures B.V.	239,461	184,867
Total	239,461	184,867

Other operating costs	2024	2023
Martyn James Fear	1,905	1,837
Total	1,905	1,837

Financial expenses	2024	2023
Enhanced Well Technologies AS	55,845	42,319
Total	55,845	42,319

Other long term liabilities	2024	2023
Enhanced Well Technologies AS	669,139	539,413
Total	669,139	539,413

Interest charge on loans is 3-months NIBOR + 4.0% margin.

Trade receivables	2024	2023
Shell Ventures B.V.	29,509	37,399
Total	29,509	37,399

Other receivables	2024	2023
Enhanced Well Technologies AS	32,572	6,787
Total	32,572	6,787

Trade payables	2024	2023
Martyn James Fear	127	121
Total	127	121

Other current liabilities	2024	2023
Enhanced Well Technologies AS	-	9,876
Total	-	9,876

All transactions with related parties are carried out at market prices in connection with ordinary business transactions. There is not given or received any guarantees related to transaction with related parties in 2024 or 2023. There is not recognised any provision for doubtful debts related to the amount of outstanding balances, and there is not recognised any expense during 2024 or 2023 in respect of bad or doubtful debts due from related parties.



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27 Share Investment Program

In 2021 Enhanced Well Technologies Group AS introduced a co-investment program in the parent company. In 2021 EWTG MIP AS was established for the purpose of serving as the holding company through which key employees in the Enhanced Well Technologies Group, invest in the Group in connection with the established management incentive program ("MIP"). As part of the program a capital increase was made available in Enhanced Well Technologies Group AS.

The price per share EWTG MIP paid was NOK 701.96, of which NOK 700.96 is share premium. The subscription price reflects an estimated market value of the shareholding that EWTG MIP subscribes for in the Company, taking into account the size of the shareholding and the terms defined in the shareholder agreement. The assessment of market value is based on a valuation by an independent third party in June 2021.

In addition to a cash infusion from EWTG MIP investors, a loan has been granted on arm's length terms to increase the investment made by EWTG MIP AS in Enhanced Well Technologies Group AS. It is noted in this regard that the Loan is interest bearing equivalent to the norwegian "normrente" set by the Norwegian Tax Authorities. The shares in the Company will be EWTG MIP's only material assets and EWTG MIP will not have any material obligations other than the Loan. In the MIP shareholder's agreement, the investors and EWTG MIP are obliged to repay the loan before resolving any distributions from EWTG MIP AS.

The co-investment program within EWTG MIP AS, is governed by the provisions in a shareholder's agreement. The shareholder's agreement is entered into by and between the holding company, the investment company and the participants in the program. Among other things the shareholder agreement will provide for drag-along and tag-along provisions for the event that Enhanced Well Technologies Group AS should sell the company.

28 Subsequent Events

No material events occurred after the balance sheet date.



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Enhanced Drilling Holding AS

Company number 992 821 191

Parent Company



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Enhanced Drilling Holding AS

Figures in TNOK

Income Statement

Revenues and expenses	Note	2024	2023
Other operating revenue		-	-
Total operating revenue		<u>-</u>	<u>-</u>
Other operating expenses	2	377	309
Total operating expenses		<u>377</u>	<u>309</u>
Net operating loss		<u>(377)</u>	<u>(309)</u>
Financial income and expenses			
Financial income		34,983	30,444
Financial expenses		54,679	47,067
Net financial items	3	<u>(19,696)</u>	<u>(16,623)</u>
Loss before tax		<u>(20,073)</u>	<u>(16,932)</u>
Income tax	4	61	(1,493)
Net loss		<u>(20,134)</u>	<u>(15,439)</u>
Appropriation of net loss			
Retained loss		(20,134)	(15,439)
Total appropriation	5	<u>(20,134)</u>	<u>(15,439)</u>



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Enhanced Drilling Holding AS

Figures in TNOK

Balance as of 31 December

Assets	Note	2024	2023
Non-current assets			
Financial non-current assets			
Investment in subsidiaries	6,7	1,023,210	1,023,210
Loan to subsidiaries	8,7	277,108	234,116
Total financial non-current assets		1,300,317	1,257,325
Total non-current assets		1,300,317	1,257,325
Current assets			
Current receivables			
Trade receivables		-	-
Group receivables	8,7	510	6,948
Other receivables	9,7	11	-
Total current receivables		521	6,948
Bank deposits, cash in hand, etc.			
Bank deposits, cash in hand, etc.	10	-	-
Total bank deposits, cash in hand, etc.		-	-
Total current assets		521	6,948
Total assets		1,300,838	1,264,273



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
Enhanced Drilling Holding AS

Figures in TNOK

Balance as of 31 December


Equity and liabilities	Note	2024	2023
Equity			
Paid in equity			
Share capital	11	15,056	15,056
Share premium fund		234,334	234,334
Other paid in capital		259,331	259,331
Total paid in equity		508,721	508,721
Earned equity			
Earned equity		270,105	290,238
Total earned equity		270,105	290,238
Total equity	5	778,825	798,959
Liabilities			
Other non-current liabilities			
Group debt	8	521,717	465,314
Total non-current liabilities		521,717	465,314
Current liabilities			
Trade payables		235	-
Income tax payable	4	61	-
Group debt	8	-	-
Other current liabilities		-	-
Total current liabilities		296	-
Total liabilities		522,013	465,314
Total equity and liabilities		1,300,838	1,264,273

Straume, 06.06.2025

DocuSigned by:

44A9984CD0E4AD...
Kjetil Lunde
Chairman/CEO

Signed by:

27F983CE3B7E42B...
Gunnhild Eide Søvik
Board member

Signed by:

48673A58DFE43F...
Lars Foldnes-Halvorsen
Board member



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Enhanced Drilling Holding AS

Figures in TNOK

Cash flow statement

	Note	2024	2023
Cash flow from operating activities			
Ordinary loss before taxes		(20,073)	(16,932)
Change in other accruals		(11)	2
Net cash flow from operational activities		(19,849)	(16,930)
Cash flow from finance activities			
Group Contribution (Gross)	5	-	6,787
Net change group receivables/ payables	8	19,849	10,143
Net cash flow from finance activities		19,849	16,930
Net change in cash and equivalents		0	0
Cash and equivalents at start of period		0	-
Cash and equivalents at end of period	10	0	0



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1 Accounting Principles

Enhanced Drilling Holding AS and its subsidiaries, are leading suppliers of services and technology to the oil and gas offshore industry. The company's main operations are based at Straume (near Bergen) Norway. The company provides management services to subsidiaries of the group.

The company is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Smålonane 16, 5353 Straume.

The financial statements have been prepared in accordance with the Norwegian accounting act and accounting principles generally accepted in Norway (NGAAP) and IFRS light. The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and the disclosure of contingent liabilities.

The financial year follows the calendar year. Income statement items are classified by nature.

Changes in accounting policy and disclosures

Effects of changes in accounting policies and correction of material errors in previous annual financial statements are recognised directly in equity. The comparative figures are restated accordingly.

Subsidiary companies

Subsidiary companies are valued in accordance with the cost method in the company accounts. The investment is calculated according to acquisition cost of the shares unless a write-down has been required. Group contributions are entered as revenue in the same year as allocation in the subsidiary company is made. If distribution exceeds ratio of retained earnings for the ownership in the period, the excess part is accounted for as a repayment of invested capital and recognised as a reduction of investment in the balance.

Classification and valuation of balance sheet items

Assets meant for permanent ownership or use is classified as non-current assets. Assets held as a part of the company's service cycle and is expected to be realised or used during the course of the unit's normal production period are classified as current assets. Receivables are classified as current if they are to be settled within one year. Analogous criteria apply for liabilities.

Non-current assets are valued at historical cost. Tangible fixed assets that deteriorate in value are depreciated on a linear basis over estimated financial lifespan. Tangible fixed assets are written down to real value in the event of a permanent decrease in value. Long-term liabilities in NOK, excluding other provisions, are entered in the balance sheet at nominal value at the time they arise. Provisions are discounted if the interest rate element is material.

Current assets are valued at the lowest of acquisition cost and fair value. Current liabilities are entered at nominal value at the time they arise.

Revenue recognition

The company's business consists corporate services to subsidiaries of the group.

Services are recognised in the time of execution. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met.

Estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and the disclosure of contingent liabilities. Unrealised losses that are probable and quantifiable, and unconditional commitments and orders are expensed in accordance with generally accepted accounting principles.

Currency

Monetary items in foreign currency are converted according to the exchange rate of the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account and are classified as financial items.

Contingent liabilities and contingent assets

Contingent liabilities are recognised if there is more than 50 % chance that they will have to be settled. Best estimates are used in calculating the settlement value. Provisions for contingencies inherent in the product cycle or with the expected settlement date within one year from the balance sheet date are classified as current liabilities. Other provisions are classified as provisions for liabilities under long-term debt.

Extraordinary income and expenses

Income is classified as extraordinary if they are unusual, irregular and material considered in relation to the company's business.

Tangible fixed assets

Tangible fixed assets are valued at cost less accumulated depreciation and write-downs. The costs of tangible fixed assets comprise the purchase price, including duties/taxes and direct acquisition costs linked to making the asset fit for use.

The write-down requirement for fixed assets is assessed if there are indications of impairment. If indication of impairment is present there are performed an estimate of discounted future cash flows for assets that will continue to be in use in the company, and an estimate of selling price less cost of assets that are for sale. If calculation shows a value less than the carrying value assets will be written off to fair value.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating revenue or other operating expenses in the income statement.



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1 Accounting Principles

Short-term investments

Short-term investments (shares classified as current) are valued at lowest of acquisition cost and fair value at the balance sheet date. Dividends and other disbursements are recognized as other financial income.

Receivables

Debtors and other receivables are entered in the balance sheet at nominal value less provision for bad debt. Provision for bad debt is estimated based on individual assessment of the debtors.

Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank deposit.

The company participate in the Enhanced Well Technologies Group's cash pool system. The company's bank accounts included in the cash pool system, and balances on these accounts, represented exclusively an intercompany balance between the cash pool account holder and the individual participant. The cash pool will thus automatically establish credit relationships between participants and cash pool holder. In the financial statements all transaction between the cash pool holder and participants are recognized as intercompany balance.

Best estimate

When there is uncertainty associated with financial statement item, best estimate is used. Changes in estimates are recognized in the period in which the estimate is changed. Use of estimates is uncertain and may differ from actual results.

Tax

The cost of tax in the profit and loss account comprises both the period's tax payable, and changes in deferred tax. Deferred tax is calculated at a rate of 22 % based on the temporary differences between accounting and tax values, as well as any loss to be carried forward at the end of the financial year. Taxable and deductible temporary differences that reverse or may reverse in the same period is offset. Deferred tax assets are recognized when it is probable that the company will have a sufficient future profit to utilize the tax asset. Tax increasing and tax reducing temporary differences are disclosed net.



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2 Wages, Fees, Number of Employees etc.

In NOK 1 000

Accumulated expenses for wages, pension premiums and other remuneration to CEO are paid by the subsidiary Enhanced Drilling AS. The company has no employees and is therefore not obligated to have pension scheme. The Chairman and members of the board have not received remuneration.

Specification of auditor's fee excl. VAT	2024	2023
Fees for audit of annual accounts	517	290
Fees for other attestation services	-	-
Fees for tax-related services	19	18
Fees for other services	-	-
Total	536	307

3 Financial Income and Expenses

In NOK 1 000

Other interest income	2024	2023
	5	35
Interest income from group companies	26,276	18,900
Agio	8,702	11,509
Total financial income	34,983	30,444
Other interest expense	21	37
Interest cost from group companies	47,066	36,363
Disagio	7,592	10,666
Total financial expenses	54,679	47,067
Net financial items	(19,696)	(16,623)



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4 Taxes	Figures in TNOK	
	2024	2023
Tax payable Norway	61	(1,493)
Amendments, deferred tax Norway	-	-
Income tax expense	61	(1,493)
Reconciliation of tax payable		
Tax payable	61	(1,493)
Tax payable of group contribution	-	1,493
Tax payable in balance sheet	61	-
Reconciliation of tax payable		
Income before tax	(20,073)	(16,932)
Expected 22 % tax cost	(4,416)	(3,725)
Variance, actual and expected tax cost	4,477	2,232
Tax effect from non-deductible costs	-	-
Tax effect from non-taxable income	-	-
Tax effect of group contribution	-	-
Tax effect for which no deferred income tax asset was recognised	4,477	2,232
Variance compared to expected tax cost	4,477	2,232
Calculation of tax payable:		
Income before tax	(20,073)	(16,932)
Interest cut off on intra group loans	20,643	-
Group contribution	-	6,787
Amendments, deferred tax	(293)	(366)
Basis for tax calculation	278	(10,512)

Deferred tax

Below is a specification of interim variations between account-related and tax-related values, as well as calculation of deferred tax/ tax advantage at the end of the financial year.

Basis for deferred tax	2024	2023	Change
Non-current assets	(847)	(1,059)	(212)
Profit and loss account	(325)	(406)	(81)
Interest cut off on intra group loans carried forward	(35,981)	(15,338)	20,643
Loss carried forward	(104,869)	(104,869)	-
Amount linked to long-term balance sheet items	(142,021)	(121,671)	20,350
Total basis for deferred tax assets	(142,021)	(121,671)	20,350
Deferred tax assets - 22%	(31,245)	(26,768)	(4,477)

Deferred tax assets are not recognised in the balance sheet because it is less likely that the company can make use of the advantage it represents. There is no time limit attached to the application of the loss carried forward. Interest cut off on intra group loans may be carried forward for deduction in the ten following tax years.



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5 Changes in Equity

In NOK 1 000

	Share capital	Share premium fund	Other paid in capital	Total paid in equity	Earned equity	Sum
Opening balance 01.01.2023	15,056	234,334	254,037	503,427	305,677	809,104
Group contribution	-	-	5,294	5,294	-	5,294
Profit for the year	-	-	-	-	(15,439)	(15,439)
Closing balance 31.12.2023	15,056	234,334	259,331	508,721	290,238	798,959
Opening balance 01.01.2024	15,056	234,334	259,331	508,721	290,238	798,959
Group contribution	-	-	-	-	-	-
Profit for the year	-	-	-	-	(20,134)	(20,134)
Closing balance 31.12.2024	15,056	234,334	259,331	508,721	270,104	778,825

6 Investment in Subsidiaries

Figures in TNOK

Company 2024	Head office	Equity interest / voting share	Share capital TNOK 100%	Equity TNOK 100%	Profit/(loss) TNOK 100%	Book value
Enhanced Drilling AS	Straume Norway	100%	5,273	456,443	96,737	1,023,203
Enhanced Drilling Australia Pty Ltd	Perth - Australia	100%	1	(27,478)	19,061	-
Enhanced Drilling Inc	Houston - USA	100%	10	(109,006)	(17,804)	7
Enhanced Drilling Services do Brasil Ltda*	Rio - Brasil	99%	5,123	(13,699)	(2,846)	-
Enhanced Drilling UK Ltd	Aberdeen - UK	100%	-	11,985	(1,001)	-
Total				318,245	94,147	1,023,210

*1% owned by Enhanced Drilling AS.

Company 2023	Head office	Equity interest / voting share	Share capital TNOK 100%	Equity TNOK 100%	Profit/(loss) TNOK 100%	Book value
Enhanced Drilling AS	Straume Norway	100%	5,273	345,956	57,755	1,023,203
Enhanced Drilling Australia Pty Ltd	Perth - Australia	100%	1	(44,053)	10,011	-
Enhanced Drilling Inc	Houston - USA	100%	10	(81,946)	(17,036)	7
Enhanced Drilling Services do Brasil Ltda*	Rio - Brasil	99%	5,123	(12,606)	453	-
Enhanced Drilling UK Ltd	Aberdeen - UK	100%	-	12,270	1,243	-
Total				219,622	52,425	1,023,210

*1% owned by Enhanced Drilling AS.

7 Registered Mortgage

Figures in TNOK

In the Register of Mortgage, registered lines include mortgages in inventory in its entirety up to TNOK 444 000, pledge in operating equipment in its entirety up to TNOK 444 000, and pledge in receivables that the company has and receives for the entire business activity up to TNOK 444 000.

Carrying amount of pledged assets	2024	2023
Investment in subsidiaries	1,023,210	1,023,210
Inventory	-	-
Receivables	277,629	241,064
Bank deposits, cash in hand, etc.	-	-
	1,300,838	1,264,273



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8 Intra Group

	2024	2023
Long term-group receivables:		
Enhanced Drilling AS	231,241	195,703
Enhanced Drilling Inc	36,800	30,169
Enhanced Drilling Pty Ltd	9,066	8,243
Total long term-loan to subsidiaries	277,108	234,117
Short-term group receivables:	2024	2023
Enhanced Drilling AS	319	-
Enhanced Well Technologies AS	188	6,946
Enhanced Drilling Services do Brasil Ltda	2	2
Total short term group receivables	510	6,948
Long term-group payables:	2024	2023
Enhanced Well Technologies AS	507,349	437,255
Enhanced Drilling UK	14,368	28,058
Total long term group payables	521,717	465,314

The company is part of the Enhanced Well Technologies Group, and the Group's external financing is through the company Enhanced Well Technologies AS. Enhanced Well Technologies AS entered in 2019 into a 5-year senior facilities agreement with DNB Bank ASA, and the loan was amended and restated in April 2024. The companies covered by the scheme are jointly and severally liable for obligations under the scheme. In the list of current group receivables the company's share of the corporate account is recognised as receivables to Enhanced Well Technologies AS.

9 Other Current Receivables

Figures in TNOK

	2024	2023
Other current receivables	11	-
Other current receivables	11	-

10 Cash

	2024	2023
Cash	-	-
Bank deposits	-	-
Cash and cash equivalents	-	-
Of which is restricted deposits:	-	-

The company participate in the Enhanced Well Technologies Group's multi-currency group account system. The company's bank accounts included in the group account system, and balances on these accounts, represented exclusively an intercompany balance between the group account holder and the individual participant. The multi-currency account system will thus automatically establish credit relationships between participants and group account holder. In the financial statements all transaction between the group account holder and participants are recognised as intercompany balance.



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11 Share Capital and Shareholder Information

Share capital is distributed in 5 018 695 shares at face value NOK 3.-. All issued shares are fully paid. The company has one share class, and all shares have equal voting and dividend rights.

Shareholders 2024

Enhanced Well Technologies AS

Number of shares	Equity interest
5,018,695	100%

Shareholders 2023

Enhanced Well Technologies AS

Number of shares	Equity interest
5,018,695	100%

12 Financial Market Risk

The company is a holding company owning shares in subsidiaries and providing loans to subsidiaries. Enhanced Drilling Holding does not currently use financial instruments for managing financial risk. Group treasury identifies, evaluates and hedges financial risks in cooperation with Enhanced Drilling Holding's operating units. The company's current receivables are mainly towards other companies in the Group. Enhanced Drilling Holding has no significant interest-bearing risks as most of the intergroup borrowings are being turned around as loan to subsidiaries at similar terms. The company's credit risk exposure is therefore considered to be low.

13 After Balance Sheet Date

No material events occurred after the balance sheet date.



Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

To the General Meeting in Enhanced Drilling Holding AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Enhanced Drilling Holding AS (the Company) which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of changes in equity 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 statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for opinion

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

Other information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.



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with confidence**

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.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Independent auditor's report - Enhanced Drilling Holding AS 2024

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 11 June 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Eirik Moe
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: WBLSS-JUGER-ZVLLS-7HfN8-YPTQJ-5ESLJ



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Moe, Eirik

Statsautorisert revisor

På vegne av: Ernst & Young AS

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Skatteetaten

Vår dato
16.03 2020

Din/Deres dato
24.01 2020

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
32212244

Org nr
974761076

Vår referanse
2019/5633232

Postadresse
Postboks 9200 Grønland
0134 OSLO

ENHANCED DRILLING HOLDING AS
Postboks 351
5343 STRAUME

Att. Kjetil Lunde

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Enhanced Drilling Holding AS, org.nr. 992 821 191

Vi viser til deres brev av 24. januar 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Enhanced Drilling Holding AS.

Enhanced Drilling Holding AS er tidligere innvilget dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på engelsk. I 2019 er det imidlertid skjedd endringer i eierforholdet i konsernet, og selskapet søker derfor om en fornyet tillatelse med grunnlag i det nye eierforholdet.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Enhanced Drilling Holding AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Enhanced Drilling Holding AS er eid av et norsk aksjeselskap som gjennom et annet selskap er eid av norske og utenlandske finansielle og industrielle investorer. Selskapet inngår i et konsern som driver virksomhet innen olje- og gassindustrien. Konsernet har datterselskaper i Australia, Brasil, Canada, Norge, Storbritannia og USA hvor den operative virksomheten utøves. Selskapets og konsernets arbeidsspråk er engelsk.

Skattekontorets 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 mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:



"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

Det er etter skattekontorets 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 skattekontoret lagt særlig vekt på at selskapet har kun én eier og at det inngår i et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.