



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 990 947 619  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: NORAM DRILLING AS  
Forretningsadresse: Bryggegata 3  
0250 OSLO

### 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: Regnskapslovens alminnelige regler  
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marty Jimmerson  
Dato for fastsettelse av årsregnskapet: 24.06.2025

### 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: USD	Note	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales		0	0
Other operating income		110 000	110 000
<b>Sum inntekter</b>		<b>110 000</b>	<b>110 000</b>
<b>Kostnader</b>			
Payroll expenses		176 000	331 000
Other operating expenses		582 000	748 000
<b>Sum kostnader</b>		<b>758 000</b>	<b>1 079 000</b>
<b>Driftsresultat</b>		<b>-648 000</b>	<b>-969 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern		4 377 000	6 580 000
Annen renteinntekt		71 000	85 000
Other financial income		103 000	294 000
<b>Sum finansinntekter</b>		<b>4 551 000</b>	<b>6 959 000</b>
Other financial expenses		250 000	383 000
<b>Sum finanskostnader</b>		<b>250 000</b>	<b>383 000</b>
<b>Netto finans</b>		<b>4 301 000</b>	<b>6 576 000</b>
<b>Resultat før skattekostnad</b>		<b>3 653 000</b>	<b>5 607 000</b>
Income tax expense		2 137 000	3 358 000
<b>Årsresultat</b>		<b>1 516 000</b>	<b>2 249 000</b>



### Balanse

Beløp i: USD	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap		84 872 000	84 814 000
Lån til foretak i samme konsern		61 512 000	80 110 000
<b>Sum finansielle anleggsmidler</b>		<b>146 384 000</b>	<b>164 924 000</b>
<b>Sum anleggsmidler</b>		<b>146 384 000</b>	<b>164 924 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Other receivable		15 000	20 000
<b>Sum fordringer</b>		<b>15 000</b>	<b>20 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposit/cash		1 213 000	684 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>1 213 000</b>	<b>684 000</b>
<b>Sum omløpsmidler</b>		<b>1 228 000</b>	<b>704 000</b>
<b>SUM EIENDELER</b>		<b>147 612 000</b>	<b>165 628 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital		12 569 000	12 547 000
Overkurs		86 538 000	107 185 000
Annen innskutt egenkapital		439 000	439 000
<b>Sum innskutt egenkapital</b>		<b>99 546 000</b>	<b>120 171 000</b>



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>Opptjent egenkapital</b>			
Other equity		29 964 000	28 449 000
<b>Sum opptjent egenkapital</b>		<b>29 964 000</b>	<b>28 449 000</b>
<b>Sum egenkapital</b>		<b>129 510 000</b>	<b>148 620 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt		4 887 000	4 414 000
<b>Sum avsetninger for forpliktelser</b>		<b>4 887 000</b>	<b>4 414 000</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>4 887 000</b>	<b>4 414 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		11 000	9 000
Tax payable		1 605 000	42 000
Public duties payable		169 000	163 000
Other current liabilities		11 430 000	12 381 000
<b>Sum kortsiktig gjeld</b>		<b>13 215 000</b>	<b>12 595 000</b>
<b>Sum gjeld</b>		<b>18 102 000</b>	<b>17 009 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>147 612 000</b>	<b>165 629 000</b>



### Konsernets resultatregnskap

Beløp i: USD	Note	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales		103 098 000	118 293 000
Other operating income		0	0
<b>Sum inntekter</b>		<b>103 098 000</b>	<b>118 293 000</b>
<b>Kostnader</b>			
Payroll expenses		33 543 000	31 355 000
Depreciation of tangible and intangible assets		19 678 000	18 937 000
Rig mobilization, service and supplies		31 413 000	28 506 000
Insurance rigs and employees		5 570 000	6 252 000
Other operating expenses		8 620 000	10 970 000
<b>Sum kostnader</b>		<b>98 824 000</b>	<b>96 020 000</b>
<b>Driftsresultat</b>		<b>4 274 000</b>	<b>22 273 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		416 000	507 000
Other financial income		103 000	294 000
<b>Sum finansinntekter</b>		<b>519 000</b>	<b>801 000</b>
Annen rentekostnad		84 000	55 000
Other financial expenses		254 000	385 000
<b>Sum finanskostnader</b>		<b>338 000</b>	<b>440 000</b>
<b>Netto finans</b>		<b>181 000</b>	<b>361 000</b>
<b>Resultat før skattekostnad</b>		<b>4 455 000</b>	<b>22 634 000</b>
Income tax expense		2 198 000	3 409 000
<b>Årsresultat</b>		<b>2 257 000</b>	<b>19 225 000</b>



### Konsernets balanse

Beløp i: USD	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Rig and accessories		55 732 000	72 061 000
Other tangible assets		569 000	553 000
<b>Sum varige driftsmidler</b>		<b>56 301 000</b>	<b>72 614 000</b>
<b>Sum anleggsmidler</b>		<b>56 301 000</b>	<b>72 614 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivable		12 339 000	11 297 000
Other receivable		1 673 000	1 367 000
<b>Sum fordringer</b>		<b>14 012 000</b>	<b>12 664 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposit/cash		8 365 000	12 139 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>8 365 000</b>	<b>12 139 000</b>
<b>Sum omløpsmidler</b>		<b>22 377 000</b>	<b>24 803 000</b>
<b>SUM EIENDELER</b>		<b>78 678 000</b>	<b>97 417 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital		12 569 000	12 547 000
Overkurs		86 538 000	107 185 000
Annen innskutt egenkapital		369 000	369 000
<b>Sum innskutt egenkapital</b>		<b>99 476 000</b>	<b>120 101 000</b>



### Konsernets balanse

Beløp i: USD	Note	2024	2023
<b>Opptjent egenkapital</b>			
Other equity		-46 004 000	-48 258 000
<b>Sum opptjent egenkapital</b>		<b>-46 004 000</b>	<b>-48 258 000</b>
<b>Sum egenkapital</b>		<b>53 472 000</b>	<b>71 843 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt		5 234 000	4 881 000
<b>Sum avsetninger for forpliktelser</b>		<b>5 234 000</b>	<b>4 881 000</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>5 234 000</b>	<b>4 881 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		3 617 000	4 388 000
Tax payable		1 781 000	326 000
Public duties payable		169 000	163 000
Other current liabilities		14 406 000	15 817 000
<b>Sum kortsiktig gjeld</b>		<b>19 973 000</b>	<b>20 694 000</b>
<b>Sum gjeld</b>		<b>25 207 000</b>	<b>25 575 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>78 679 000</b>	<b>97 418 000</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer: 2025 644363

#### Enheten

Organisasjonsnummer: 990 947 619  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: NORAM DRILLING AS  
Forretningsadresse: Bryggegata 3  
0250 OSLO

#### Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

#### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

#### Regnskapsregler

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

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marty Jimmerson  
Dato for fastsettelse av årsregnskapet: 24.06.2025

#### Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

#### Grunnlag for avgivelse

År 2024: Årsregnskap 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, 06.08.2025

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Brønnøysundregistrene  
Postadresse: Postboks 900, 8910 Brønnøysund  
Telefon: 75 00 75 00  
E-post: firmapost@brreg.no Internett: www.brreg.no  
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 990 947 619  
NORAM DRILLING AS

## RESULTATREGNSKAP

<b>Beløp i: USD</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales		0	0
Other operating income		110 000	110 000
<b>Sum inntekter</b>		<b>110 000</b>	<b>110 000</b>
<b>Kostnader</b>			
Payroll expenses		176 000	331 000
Other operating expenses		582 000	748 000
<b>Sum kostnader</b>		<b>758 000</b>	<b>1 079 000</b>
<b>Driftsresultat</b>		<b>-648 000</b>	<b>-969 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern		4 377 000	6 580 000
Annen renteinntekt		71 000	85 000
Other financial income		103 000	294 000
<b>Sum finansinntekter</b>		<b>4 551 000</b>	<b>6 959 000</b>
Other financial expenses		250 000	383 000
<b>Sum finanskostnader</b>		<b>250 000</b>	<b>383 000</b>
<b>Netto finans</b>		<b>4 301 000</b>	<b>6 576 000</b>
<b>Resultat før skattekostnad</b>		<b>3 653 000</b>	<b>5 607 000</b>
Income tax expense		2 137 000	3 358 000
<b>Årsresultat</b>		<b>1 516 000</b>	<b>2 249 000</b>



Organisasjonsnr: 990 947 619  
NORAM DRILLING AS

## BALANSE

Beløp i: USD Note 2024 2023

### BALANSE - EIENDELER

#### Anleggsmidler

##### Immaterielle eiendeler

##### Finansielle anleggsmidler

Investering i datterselskap	84 872 000	84 814 000
Lån til foretak i samme konsern	61 512 000	80 110 000
<b>Sum finansielle anleggsmidler</b>	<b>146 384 000</b>	<b>164 924 000</b>
<b>Sum anleggsmidler</b>	<b>146 384 000</b>	<b>164 924 000</b>

#### Omløpsmidler

##### Varer

##### Fordringer

Other receivable	15 000	20 000
<b>Sum fordringer</b>	<b>15 000</b>	<b>20 000</b>

##### Bankinnskudd, kontanter og lignende

Bank deposit/cash	1 213 000	684 000
<b>Sum bankinnskudd, kontanter og lignende</b>	<b>1 213 000</b>	<b>684 000</b>

<b>Sum omløpsmidler</b>	<b>1 228 000</b>	<b>704 000</b>
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<b>SUM EIENDELER</b>	<b>147 612 000</b>	<b>165 628 000</b>
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### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share capital	12 569 000	12 547 000
Overkurs	86 538 000	107 185 000
Annen innskutt egenkapital	439 000	439 000
<b>Sum innskutt egenkapital</b>	<b>99 546 000</b>	<b>120 171 000</b>

##### Opptjent egenkapital

Other equity	29 964 000	28 449 000
<b>Sum opptjent egenkapital</b>	<b>29 964 000</b>	<b>28 449 000</b>

<b>Sum egenkapital</b>	<b>129 510 000</b>	<b>148 620 000</b>
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#### Gjeld

##### Langsiktig gjeld



Utsatt skatt	4 887 000	4 414 000
<b>Sum avsetninger for forpliktelser</b>	<b>4 887 000</b>	<b>4 414 000</b>
<b>Annen langsiktig gjeld</b>		
<b>Sum langsiktig gjeld</b>	<b>4 887 000</b>	<b>4 414 000</b>
<b>Kortsiktig gjeld</b>		
Leverandørgjeld	11 000	9 000
Tax payable	1 605 000	42 000
Public duties payable	169 000	163 000
Other current liabilities	11 430 000	12 381 000
<b>Sum kortsiktig gjeld</b>	<b>13 215 000</b>	<b>12 595 000</b>
<b>Sum gjeld</b>	<b>18 102 000</b>	<b>17 009 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>	<b>147 612 000</b>	<b>165 629 000</b>



Organisasjonsnr: 990 947 619  
NORAM DRILLING AS

## KONSERNRESULTATREGNSKAP

<b>Beløp i: USD</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales		103 098 000	118 293 000
Other operating income		0	0
<b>Sum inntekter</b>		<b>103 098 000</b>	<b>118 293 000</b>
<b>Kostnader</b>			
Payroll expenses		33 543 000	31 355 000
Depreciation of tangible and intangible assets		19 678 000	18 937 000
Rig mobilization, service and supplies		31 413 000	28 506 000
Insurance rigs and employees		5 570 000	6 252 000
Other operating expenses		8 620 000	10 970 000
<b>Sum kostnader</b>		<b>98 824 000</b>	<b>96 020 000</b>
<b>Driftsresultat</b>		<b>4 274 000</b>	<b>22 273 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		416 000	507 000
Other financial income		103 000	294 000
<b>Sum finansinntekter</b>		<b>519 000</b>	<b>801 000</b>
Annen rentekostnad		84 000	55 000
Other financial expenses		254 000	385 000
<b>Sum finanskostnader</b>		<b>338 000</b>	<b>440 000</b>
<b>Netto finans</b>		<b>181 000</b>	<b>361 000</b>
<b>Resultat før skattekostnad</b>		<b>4 455 000</b>	<b>22 634 000</b>
Income tax expense		2 198 000	3 409 000
<b>Årsresultat</b>		<b>2 257 000</b>	<b>19 225 000</b>



Organisasjonsnr: 990 947 619  
NORAM DRILLING AS

## KONSERNBALANSE

Beløp i: USD Note 2024 2023

### BALANSE - EIENDELER

#### Anleggsmidler Immaterielle eiendeler

Varige driftsmidler		
Rig and accessories	55 732 000	72 061 000
Other tangible assets	569 000	553 000
Sum varige driftsmidler	56 301 000	72 614 000
Sum anleggsmidler	56 301 000	72 614 000

#### Omløpsmidler Varer

Fordringer		
Accounts receivable	12 339 000	11 297 000
Other receivable	1 673 000	1 367 000
Sum fordringer	14 012 000	12 664 000

#### Bankinnskudd, kontanter og lignende

Bank deposit/cash	8 365 000	12 139 000
Sum bankinnskudd, kontanter og lignende	8 365 000	12 139 000

Sum omløpsmidler	22 377 000	24 803 000
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SUM EIENDELER	78 678 000	97 417 000
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### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share capital	12 569 000	12 547 000
Overkurs	86 538 000	107 185 000
Annen innskutt egenkapital	369 000	369 000
Sum innskutt egenkapital	99 476 000	120 101 000

##### Opptjent egenkapital

Other equity	-46 004 000	-48 258 000
Sum opptjent egenkapital	-46 004 000	-48 258 000

Sum egenkapital	53 472 000	71 843 000
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#### Gjeld

Langsiktig gjeld		
Utsatt skatt	5 234 000	4 881 000



<b>Sum avsetninger for forpliktelser</b>	<b>5 234 000</b>	<b>4 881 000</b>
<b>Annen langsiktig gjeld</b>		
<b>Sum langsiktig gjeld</b>	<b>5 234 000</b>	<b>4 881 000</b>
<b>Kortsiktig gjeld</b>		
Leverandørgjeld	3 617 000	4 388 000
Tax payable	1 781 000	326 000
Public duties payable	169 000	163 000
Other current liabilities	14 406 000	15 817 000
<b>Sum kortsiktig gjeld</b>	<b>19 973 000</b>	<b>20 694 000</b>
<b>Sum gjeld</b>	<b>25 207 000</b>	<b>25 575 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>	<b>78 679 000</b>	<b>97 418 000</b>



Organisasjonsnr: 990 947 619  
NORAM DRILLING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

## Note

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: 990 947 619  
NORAM DRILLING AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

## Note

Antall årsverk i regnskapsåret  
359.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

## Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

## Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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# **NORAM DRILLING**

**ANNUAL REPORT 2024**

**NORAM DRILLING AS**



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## General Information

This report contains forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements may be identified by the use of forward-looking terminology such as “believes”, “expects”, “predicts”, “may”, “will continue”, “should”, “would be”, “seeks” or “anticipates” or similar expressions or comparable terminology, or by discussions of plans, intentions and strategy.

Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise. The Company or its officers assumes no obligation that such expectations will prove to be correct. These forward-looking statements are subject to risks and uncertainties that could cause actual results to vary materially from such forward-looking statements.

## Accounting and Auditing

**NorAm Drilling AS** is audited by KPMG Norway. The accounting is outsourced to Amesto Business Partner, Norway.

**NorAm Drilling Company** performs its own accounting.

## Alternative Performance Measurement (APM)

In the report we refer to the APM ADJUSTED EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization and noncash stock compensation expenses.



## THIS IS NORAM DRILLING GROUP

NorAm Drilling AS (“the Group”, “NorAm” or “the Company”) owns and operates a quality rig portfolio of “super spec” advanced high-end AC driven rigs tailored for the drilling of horizontal wells in the US land drilling market. These rigs are designed to combine the cost efficiency of a compact rig with the versatility of different rig classes, enabling the rigs to cover a broad range of wells for both liquids and gas.

The Company was established in 2007, and at year-end 2024 the Group’s fleet consisted of 11 “super spec” rigs located in the Permian Basin.

### The Company Structure

The parent company NorAm Drilling AS owns 100% of NorAm Drilling Company, Texas Corp., a US-based drilling contractor, located in Houston, Texas.

NorAm Drilling Company owns all eleven rigs and is financed through a combination of equity investments and intercompany loans, at arm’s length terms, from its parent. NorAm Drilling Company is staffed with competent, local personnel that perform all aspects of a contract drilling company. The assets of NorAm Drilling AS consists mainly of shares in and loans to its US subsidiary.

### Our Offices

**NorAm Drilling AS** head office is in Oslo, Norway. The office is located at Bryggegate 3, 0112 Oslo, Norway.

**NorAm Drilling Company** is headquartered in Houston, Texas. NorAm Drilling Company has yard facilities in Odessa, Texas.

### Organization and Operations

Marty Jimmerson has served as Chief Executive Officer and Chief Financial Officer since joining the Company in January 2017. Thomas Taylor has served as Chief Operating Officer since November 2014 and has been with the Company for 14 years. Mr. Jimmerson and Mr. Taylor fulfil their roles for both NorAm Drilling AS and NorAm Drilling Company.

The executive team is supported with a complement of business development, safety, operations (including electricians, mechanics and equipment specialists) and accounting functions. Each rig is supported by crews that work on 2-week hitches. Each hitch is staffed with crews working 12-hour shifts. The rig is managed by a rig manager and each shift is typically staffed with a minimum of a driller, derrickman, motorman and two floormen.



## Board of Director's Report

### Nature of the business activities and where conducted

NorAm Drilling AS (herein called "Company") and its subsidiaries (herein called "Group") were established on February 19, 2007.

NorAm Drilling AS owns 100% of NorAm Drilling Company, a Texas corporation (collectively referred to as "NorAm" or the "Company" herein). NorAm owns and operates a quality rig portfolio of "super spec" advanced high-end AC driven rigs tailored for the drilling of horizontal wells in the US land drilling market. As of May 28, 2025, nine of our eleven rigs are under contract in the Permian Basin. These rigs are designed to combine the cost efficiency of a compact rig with the versatility of different rig classes, enabling the rigs to cover a broad range of wells for both liquids and gas. The Group's executive management team is based out of Houston, Texas with administrative functions located in both Houston and Oslo, Norway.

## 2024 Developments

### MARKET and CONTRACTS

WTI began 2024 around \$72 per barrel and finished 2024 near \$72 per barrel. WTI reached a high of \$85 per barrel in April 2024 and a low of \$67 per barrel in September 2024. WTI is currently trading around \$62 per barrel.

Dayrates for land rigs in the US improved significantly during the 2022 and continued to strengthen into Q1 2023. Demand for drilling rigs started to decline in the first half of 2023 in a response to lower natural gas and WTI prices. This trend in declining rigs continued throughout 2024. Dayrates for high end "super spec" drilling rigs in Permian started to soften during the second quarter of 2023 as some rigs were mobilized from the Haynesville as a result of low natural gas prices and operators releasing rigs in the Permian as a result of lower WTI prices. Dayrates in the Permian were relatively stable during 2024. Recent mergers and acquisitions among E&Ps have led to lower active rig counts and put pressure on dayrates.

As of May 23, 2025, the US land drilling active rig count and Permian rig count was 553 and 279, respectively. As of December 31, 2024, the US land drilling active rig count and Permian rig count was 573 and 304, respectively. In comparison, as of December 31, 2023, the US land drilling active rig count and Permian rig count was 601 and 307, respectively. As of May 28, 2025, nine of our eleven rigs under contract.



## SHARE LISTING and DIVIDENDS

On October 7, 2022, the Company's shares commenced trading on the Euronext Growth Oslo exchange under the ticker "NORAM". The Company is debt free and paid its initial monthly dividend in December 2022. The Company has paid 25 consecutive monthly dividends from December 2022 through December 2024 of MUSD 68.8 or approximately NOK 16.79 per share. The company has paid MUSD 8.7 or approximately NOK 2.18 per share after December 31, 2024. The dividend distributions were made from the Company's contributed surplus account which consists of previously paid in share premium transferred to the Company's share premium account.

## COMPANY DEVELOPMENT, RESULTS and FINANCING

NorAm had revenue of MUSD 103.1 during the twelve months of 2024 compared to MUSD 118.3 during the twelve months of 2023. During the twelve months of 2024 we generated operating profit of MUSD 4.3 compared to an operating profit of MUSD 22.3 in the twelve months of 2023. During the twelve months of 2024 we generated ADJUSTED EBITDA of MUSD 24.1 compared to MUSD 41.3 in the twelve months of 2023. During the twelve months of 2024 we generated cash flow from operational activities of MUSD 21.5 compared to MUSD 46.5 in the twelve months of 2023. The decrease in revenue, operating profit, ADJUSTED EBITDA and cash flow from operational activities is primarily due to lower dayrate and utilization as industry conditions softened as a result of operators demonstrating operational discipline, merger activity among E&Ps and declines in natural gas prices which resulted in a significant number of rigs being released outside of the Permian Basin.

Capital expenditures were MUSD 3.4 in the twelve months of 2024, compared to MUSD 5.0 in 2023. As of December 31, 2024, our cash position was MUSD 8.4. The Company is debt free and paid its initial monthly dividend in December 2022 and continued to pay monthly dividends through May 2025.

The Company's subsidiary has a loan agreement with a U.S. based bank for a Revolving Promissory Note ("Revolver") of MUSD 4.5. Use of proceeds for any borrowings under this Revolver are available for working capital and general corporate purposes. The Revolver is secured by accounts receivable and is expected to be utilized to reduce the Company's need for liquidity on the balance sheet. There were no borrowings outstanding under the Revolver as of December 31, 2024.

The parent company NorAm Drilling AS had total operating income of MUSD 0.1 in 2024, the same as for 2023. Operating expenses decreased to MUSD 0.8 in 2024 compared to MUSD 1.1 in 2023. The parent company had a net income before tax of MUSD 3.7 in 2024, compared to a net income of MUSD 5.6 in 2023. The main driver for the decrease in net income before tax is due to lower interest income on intercompany notes attributable to repayments from its operating subsidiary.



## KEY FINANCIAL FIGURES

	<u>2024</u>	<u>2023</u>
MUSD		
Revenue	103.1	118.3
Operating Profit	4.3	22.3
Net Profit before Tax	4.5	22.6
ADJUSTED EBITDA (1)	24.1	41.3

(1) ADJUSTED EBITDA - Earnings Before Interest, Tax, Depreciation and Amortization plus noncash stock option expenses.

## IMPAIRMENT ON FIXED ASSETS

No impairment indicators have been identified. Accordingly, no impairment test has been performed as a result of no impairment indicators being identified.

## FINANCING

On the balance sheet, the Group has equity of MUSD 53.4 equivalent to an equity ratio of 67.8% at year-end 2024, compared to MUSD 71.8 equivalent to an equity ratio of 73.7% at year-end 2023.

The Company's balance sheet at year end 2024 had equity of MUSD 129.5 and an equity ratio of 88.1%, compared to MUSD 148.6 and an equity ratio of 90.1% equity ratio at year-end 2023.

The Board considers the equity for both the Company and Group to be in compliance with the requirement for sufficient equity under the Norwegian Limited Liability Companies Act.

On October 7, 2022, the Company's shares commenced trading on the Euronext Growth Oslo exchange under the ticker "NORAM". The Company is debt free and paid its initial monthly dividend in December 2022. The Company has paid 25 consecutive monthly dividends from December 2022 through December 2024 of MUSD 68.8 or approximately NOK 16.79 per share. The company has paid MUSD 8.7 or approximately NOK 2.18 per share after December 31, 2024. The dividend distributions were made from the Company's contributed surplus account which consists of previously paid in share premium transferred to the Company's share premium account.

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## CASH FLOW and LIQUIDITY

The cash position for the Group decreased from MUSD 12.1 as of December 31, 2023, to MUSD 8.4 as of December 31, 2024.



For the Norwegian parent company, the cash position increased from MUSD 0.7 to MUSD 1.2.

## **KEY RISKS and UNCERTAINTIES**

The Group and the Company are exposed to a number of risk factors when performing its activities, such as market risk, operational risk, credit risk and liquidity risk. Dayrates for land rigs in the US improved significantly during the 2022 and continued to strengthen into Q1 2023. Demand for drilling rigs started to decline in the first half of 2023 in a response to lower natural gas and WTI prices. This trend in declining rigs continued throughout 2024. Dayrates for high end "super spec" drilling rigs in Permian started to soften during the second quarter of 2023 as some rigs were mobilized from the Haynesville as a result of low natural gas prices and operators releasing rigs in the Permian as a result of lower WTI prices. Dayrates in the Permian were relatively stable during 2024. Recent mergers and acquisitions among E&Ps have led to lower active rig counts and put pressure on dayrates. The Company's and the Group's key operational risks are comprised to a large extent of (i) global oil demand, (ii) Russian invasion of Ukraine, (iii) OPEC+ maintaining and complying with appropriate supply targets, (iv) operating discipline demonstrated by US E&P operators, (v) supply and demand activity for US and Permian land rigs, (vi) availability and costs of labor, equipment and rig supplies, (vii) recent tariffs instituted by the United States and (viii) any possible regulatory changes issued by the US government.

Global oil and gas prices have been historically and will likely continue to be volatile for the foreseeable future. Global demand and supply of oil; levels of exploration and production by oil and gas companies operating in the United States; worldwide political, regulatory, economic and military events as well as natural disasters have contributed to oil and gas volatility and are likely to continue to do so in the future. The US land drilling market is strongly related to energy prices. Dayrates and utilization levels of the Group's rigs correlate with the price of oil and natural gas. An increase in oil price requires supply reductions or increases in demand. The Group's income is the most sensitive factor, and a reduction either in utilization or dayrates compared to budget has clear negative effects on the result. Conversely, higher rates and utilization have very positive effects on our results. The cost level will vary with constraints in the market for input factors.

The client risk of the Group varies, and even though the Group targets blue-chip E&P clients with extensive operations, contracts may also be signed with smaller companies to increase utilization of the rigs. In such cases, a review of financial statements or payment references is performed to reduce risk of non-payment.

Supplier and client risks are also present in the market in which the Group is operating. Even if the Group targets contracts with larger and financially solid partners, the contracts will be subject to uncertainty with regards to the suppliers' or the clients' ability to meet their commitments, as they, too, on a general basis also will be subject to market and financial risk. Idle rigs will lead to significant loss of income.

In addition, there could be stacking expenses during weak periods of demand for rigs resulting on loss of work. Such expenses are modest in terms of influence on the result. The Group is also exposed to changes in the regulatory and fiscal frameworks in Norway and the USA.



## **BUSINESS OUTLOOK**

The Group will continue its focus on operating its premium rig fleet and evaluate opportunities to build a larger US presence by further developing our US subsidiary. The foundation has been laid over the years, building strong inhouse drilling competences and safety records, a flat organization with focus on training and motivation of our drilling crews, effective corporate routines and strong client relationships.

By growing the Group's rig fleet from three rigs in 2009 to eleven "Super Spec" rigs, the Group has taken important steps forward to become an important player in the US onshore drilling industry.

The Group has an ongoing dialogue with its existing customers as well as potential new customers about rig performance and contracts. The Board emphasizes the importance of modern, efficient rigs and trained personnel as a powerful combination for reaching our drilling, safety and utilization targets and winning new contracts with quality clients.

A key driver for financial results in 2025 will ultimately be the continued price development of crude oil and natural gas prices which impacts capital spending by the US energy producers. The recent announcements of tariffs implemented by the United States and OPEC+ announcing plans to increase production could have a significant impact on our financial results in the foreseeable future.

### **Key targets for 2025:**

- Ensure continued high safety standard in line with our historical performance
- Continue to operate our rigs with an industry leading effectiveness and efficiency
- Scale our operations and overhead in response to any change in rig activity
- Maintain and develop customer relationships in order to obtain higher dayrates contracts with reputable clients

## **FUTURE DEVELOPMENT**

### ***Dayrates and utilization outlook***

All eleven rigs are currently located in the Permian Basin. Our current drilling contract status as of May 28, 2025, is as follows:

- Rig 21 – on contract pad-pad
- Rig 22 – on contract through July 2025
- Rig 23 – stacked and available
- Rig 25 – on contract through September 2025
- Rig 26 – on contract through June 2025



- Rig 27 – on contract through August 2025
- Rig 28 – stacked and available
- Rig 29 – on contract pad-pad
- Rig 30 – on contract through June 2025
- Rig 32 – on contract through September 2025
- Rig 34 – on contract through August 2025

Subject to key risks and uncertainties mentioned in this report, we currently expect continued strong demand for high end “super spec” drilling rigs in the Permian.

The Board expects to maintain the Group’s strong safety record.

### *Operating expenses*

Combined with focus on our rig personnel staffing levels and effectively managing our other daily operating costs we were able to maintain rig operating costs and maintenance capital expenditures during 2024 and in line with our expectations.

### **RESEARCH and DEVELOPMENT ACTIVITIES**

Neither the Company nor the Group had research and development expenses in 2023.

### **GOING CONCERN**

The Board considers the Financial Statements for 2024 to represent a true and fair view of the development and results of the Company’s and Group’s operations and accounts as of December 31, 2024. The Board confirms that going concern assumptions are satisfied as to the standards set by the Norwegian Accounting Act and which has formed the basis for the financial statements presented herein for the Company and the Group. This is based on the Boards expectations relating to market conditions going forward, with increased payrates and utilization expected to continue to gradually recover over the next few years.

### **WORKING ENVIRONMENT**

As of December 31, 2024, the Group had an operational organization of 308 people.

The Board considers the working environment in the Company and the Group to be good.



Management consists of the Chief Executive Officer / Chief Financial Officer and a Chief Operating Officer. Apart from these individuals, the Company uses external advisors for accounting, legal affairs and other professional services.

The absentee rate was minimal. There were no significant property damage incidents in 2024.

NorAm Drilling AS has no employees during 2024, hence no sick leave. No serious occupational accidents or incidents have been experienced over the year, whether in the parent company or in the subsidiaries.

## **EQUAL OPPORTUNITIES**

The Group and the Company target to be an employer to promote equality for all employees' regardless of nationality, sex, skin color, language or religion. This is true for recruiting new people, for salary and bonus schemes, working relations, promotions and protection against harassment. Women will be encouraged to apply for posted available positions in order to increase the representation of both sexes in the organization. At the end of 2024, the Group had two women employed. There will be no discrimination between men and women regarding recruitment, salaries in relation to position/competence, or promotion, or any other aspect of the Group's activities.

The Group has conducted a high-level salary analysis showing that on average, men have higher salary than women. The main reason for this is that the management group consist of only men, and management level has higher average salary than the employees working on the rigs. Among employees working on the rigs, there is no indication on significant differences in average salary between men and women with the same experience etc.

During 2024 the Group has had no involuntary part-time employees, and no persons have been on leave of absence.

The NorAm Drilling AS Board of Directors consists of three men. NorAm Drilling Company has the same board as NorAm Drilling AS.

## **EXTERNAL ENVIRONMENT**

NorAm Drilling AS has limited activity and does not pollute the external environment. The Group undertakes activities that are potentially polluting. The oil and gas well drilling business, by its very nature, can, if proper procedures are not followed adversely impact the environment. This can range from blowouts of wells or pollution of the area surrounding the drilling activities.

NorAm Drilling takes all reasonable precautions by assuring proper equipment and maintenance and that the rig personnel are all properly trained. Also, NorAm Drilling conducts standard procedures beyond regulations to ensure not to pollute. Other actions taken by NorAm Drilling includes converting engine systems into Dual Gas system, whereby our customers agree, allowing our engines to run on natural gas at a lower cost and generating less pollution. The Company has available and is also evaluating installing additional power converters whereby rigs may be connected to the electrical grid where feasible. This will further reduce emissions.



NorAm Drilling has implemented Health, Environment and Safety services to support the company's activities and the rig crew is trained in Occupational Safety and Health Administration (OSHA) HSE regulations in the US. The focus is to train all site personnel in their daily routines to act safely and to prevent unwanted occurrences with the rigs.

NorAm Drilling complies with US state and federal regulations in its activities, including environmental protection regulation. The operator carries the main responsibility regarding the external environment when drilling a well under standard daywork drilling contracts.

The Group will publish on our website an updated human rights statement in line with the Norwegian Transparency Act reporting requirements by 30th June 2025.

NorAm Drilling has a group insurance policy for the liability of the Company's and its subsidiaries' directors and officers. The insurance covers personal legal liabilities including legal costs for defense. The limit of liability is NOK 100 million per claim and in aggregate per year.



**Signature of the Board, May 28, 2025**

Ole B. Hjertaker  
Chairman

Jan Erik Klepsland  
Board member

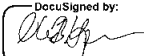
Christopher Baker  
Board member

Marty Jimmerson  
Chief Executive Officer



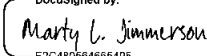
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Signature of the Board, May 28, 2025

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Chairman

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Board member

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Board member

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Marty Jimmerson  
Chief Executive Officer



## CONSOLIDATED 2024 REPORT



NorAm Drilling AS

### INCOME STATEMENT (Amounts in USD 1,000)

NorAm Group

2024	2023	Note	Note	2024	2023
-	-	2 Sales	2	103,098	118,293
110	110	Other operating income		-	-
<b>110</b>	<b>110</b>	<b>Total operating income</b>		<b>103,098</b>	<b>118,293</b>
176	331	3 Payroll Expenses	3	33,543	31,355
-	-	Depreciation of tangible and intangible assets	7	19,678	18,937
-	-	Rig mobilization, service and supplies		31,413	28,506
-	-	Insurance rigs and employees		5,570	6,252
582	748	3 Other operating expenses	3	8,620	10,970
<b>758</b>	<b>1,079</b>	<b>Total operating expenses</b>		<b>98,826</b>	<b>96,020</b>
<b>-648</b>	<b>-970</b>	<b>Operating profit (+)/ loss (-)</b>		<b>4,272</b>	<b>22,273</b>
4,377	6,580	4, 9 Interest income from group companies			
71	85	4 Other interest income	4	416	507
103	294	4 Other financial income		103	294
-	-	4 Other interest expenses	4	84	55
250	383	4 Other financial expenses	4	254	385
<b>4,300</b>	<b>6,576</b>	<b>Net financial items</b>		<b>180</b>	<b>360</b>
<b>3,652</b>	<b>5,606</b>	<b>Profit before income tax</b>		<b>4,452</b>	<b>22,633</b>
<b>2,137</b>	<b>3,358</b>	<b>5 Income tax expense</b>	5	<b>2,198</b>	<b>3,409</b>
<b>1,515</b>	<b>2,248</b>	<b>Net profit</b>		<b>2,254</b>	<b>19,225</b>



## CONSOLIDATED 2024 REPORT



NorAm Drilling AS

BALANCE SHEET  
(Amounts in USD 1,000)

NorAm Group

2024	2023	Note	Note	2024	2023
<b>ASSETS</b>					
<b>Tangible assets</b>					
-	-		7	55,732	72,061
-	-		7	569	553
-	-			56,301	72,615
<b>Financial assets</b>					
84,872	84,814	8		-	-
61,512	80,110	9		-	-
146,384	164,924			-	-
<b>146,384</b>	<b>164,924</b>	<b>Total Non-current Assets</b>		<b>56,301</b>	<b>72,615</b>
<b>Current assets</b>					
<b>Receivable</b>					
-	-			12,339	11,297
15	20			1,673	1,367
15	20			14,012	12,664
<b>Cash and cash equivalent</b>					
1,213	684	10	10	8,365	12,139
1,213	684			8,365	12,139
<b>1,227</b>	<b>705</b>	<b>Total current assets</b>		<b>22,377</b>	<b>24,804</b>
<b>147,611</b>	<b>165,629</b>	<b>TOTAL ASSETS</b>		<b>78,678</b>	<b>97,418</b>



## CONSOLIDATED 2024 REPORT



NorAm Drilling AS

BALANCE SHEET  
(Amounts in USD 1,000)

NorAm Group

2024	2023	Note	Note	2024	2023
<b>EQUITY &amp; LIABILITIES</b>					
<b>Equity</b>					
<b>Owners equity</b>					
12,569	12,547	11	11	12,569	12,547
86,538	107,185	11	11	86,538	107,185
439	439	11	11	369	369
99,545	120,171			99,475	120,102
<b>Accumulated profits</b>					
29,964	28,449	11	11	-46,004	-48,258
29,964	28,449			-46,004	-48,258
<b>129,509</b>	<b>148,620</b>	<b>Total equity</b>		<b>53,471</b>	<b>71,843</b>
<b>Liabilities</b>					
4,887	4,414	5	5	5,234	4,881
4,887	4,414			5,234	4,881
<b>Current liabilities</b>					
11	9			3,617	4,388
1,605	42	5	5	1,781	326
169	163			169	163
11,430	12,381	9	9	14,406	15,817
13,215	12,595			19,973	20,694
<b>18,102</b>	<b>17,009</b>	<b>Total liabilities</b>		<b>25,207</b>	<b>25,575</b>
<b>147,611</b>	<b>165,629</b>	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>78,678</b>	<b>97,418</b>

Oslo, 28.05.2025

**Ole Bjarte Hjertaker**  
Chairman

**Christopher Baker**  
Board member

**Jan Erik Klepsland**  
Board member

**Marty Jimmerson**  
CEO



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CONSOLIDATED 2024 REPORT



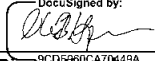
NorAm Drilling AS

BALANCE SHEET  
(Amounts in USD 1,000)

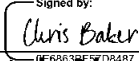
NorAm Group

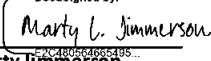
2024	2023	Note	Note	2024	2023
<b>EQUITY &amp; LIABILITIES</b>					
<b>Equity</b>					
<b>Owners equity</b>					
12,569	12,547	11 Share capital	11	12,569	12,547
86,538	107,185	11 Share premium	11	86,538	107,185
439	439	11 Other paid in capital	11	369	369
99,545	120,171	Total owners equity		99,475	120,102
<b>Accumulated profits</b>					
29,964	28,449	11 Other equity	11	-46,004	-48,258
29,964	28,449	Total accumulated profits		-46,004	-48,258
<b>129,509</b>	<b>148,620</b>	<b>Total equity</b>		<b>53,471</b>	<b>71,843</b>
<b>Liabilities</b>					
4,887	4,414	5 Deferred tax	5	5,234	4,881
4,887	4,414	Total deferred tax		5,234	4,881
<b>Current liabilities</b>					
11	9	Accounts payable		3,617	4,388
1,605	42	5 Tax payable	5	1,781	326
169	163	Public duties payable		169	163
11,430	12,381	9 Other current liabilities	9	14,406	15,817
13,215	12,595	Total current liabilities		19,973	20,694
<b>18,102</b>	<b>17,009</b>	<b>Total liabilities</b>		<b>25,207</b>	<b>25,575</b>
<b>147,611</b>	<b>165,629</b>	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>78,678</b>	<b>97,418</b>

Oslo, 28.05.2025

DocuSigned by:  
  
 Ole Bjarte Hjeltnes  
 Chairman

Signed by:  
  
 Jan Erik Klepeland  
 Board member

Signed by:  
  
 Christopher Baker  
 Board member

DocuSigned by:  
  
 Marty L. Jimmerson  
 CEO



## CONSOLIDATED 2024 REPORT



### NorAm Drilling AS

### STATEMENT OF CASH FLOW (Amounts in USD 1,000)

### NorAm Group

2024	2023		2024	2023
3,652	5,606	Profit(+)/Loss(-) before income tax	4,452	22,633
-	-	Tax paid for the period	-289	76
-	-	Depreciation of fixed assets	19,678	18,937
-	-	Change in accounts receivable	-1,042	3,505
2	10	Change in accounts payable	-771	-218
210	444	Change in other current balance sheet items	-525	1,588
3,864	6,061	Net cash flow from operational activities	21,503	46,521
-	-	Purchase of tangible fixed assets	-3,365	-4,982
18,598	35,370	Received payment on loans to group companies	-	-
18,598	35,370	Net cash flow from investing activities	-3,365	-4,982
-	-	Issued capital	21	-
-21,934	-42,497	Dividends	-21,934	-42,497
-21,934	-42,497	Net cash flow from financing activities	-21,913	-42,497
528	-1,066	Net change in cash and cash equivalent	-3,775	-959
684	1,750	Cash and cash equivalents opening balance	12,139	13,098
1,213	684	Cash and cash equivalents closing balance	8,365	12,139



## NorAm Drilling Group

Notes to Financial Statement



### Note 1 - Accounting Principles

The Financial Statements include Income Statement, Balance Sheet, Statement of Cash Flow and Note Disclosures. The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The Financial Statements are based on the basic principles, and the classification of Assets and Liabilities is according to the definitions of the Norwegian Accounting Act. In application of the accounting principles and presentation of transactions and other information, emphasis has been put not only on legal form, but on economic reality. Conditional losses that are probable and quantifiable are expensed. There have been no changes in the accounting principles used.

#### 1-1 Basis for consolidation

The Group's consolidated financial statements comprise of NorAm Drilling AS and NorAm Drilling Company which NorAm Drilling AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Minority interests are included in the Group's equity. Transactions between Group companies have been eliminated in the consolidated financial statement. The consolidated financial statement has been prepared in accordance with the same accounting principles for both parent and subsidiary.

#### 1-2 Use of estimates

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

#### 1-3 Foreign currency translation

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

#### 1-4 Revenue recognition and operational costs

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer.

NorAm Drilling Group revenue relates to rental of rig capacity and sale of drilling services from the US based subsidiary NorAm Drilling Company. Sales regarding rental of rig is invoiced and booked in line with actual contract and the period of delivering the services, while drilling services are invoiced and booked in the same period as the services has been provided.



## NorAm Drilling Group

Notes to Financial Statement



### Note 1 - Accounting Principles

#### 1-5 Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22%/21% (Norway/USA) of temporary differences and losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Temporary differences in jurisdictions with other currency than USD, is calculated using local currency and converted to USD at foreign exchange rate at the balance sheet.

#### 1-6 Balance sheet classification

Current assets and current liabilities consist of receivables and payables due within one year, and items connected to the flow of goods. Other balance sheet items are classified as non-current assets / non-current liabilities.

Current assets are valued at the lower of cost and fair value. Current liabilities are recognized at nominal value at the time they incur.

Fixed assets are valued at cost, less depreciation and impairment losses. Non-current liabilities are recognized at nominal value.

#### 1-7 Property, plant and equipment

Property, plant and equipment are capitalized and depreciated over the estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property, plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are used.

Operational leasing is expensed as ordinary rental expense and classified as an ordinary operating expense. Equipment leased on terms that transfer practically all economic rights and obligations to the company (financial leasing) is depreciated as a capital asset, and is included as a liability under interest bearing debt at the present value of minimum rental expense.

#### 1-8 Subsidiaries

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions are recognized in the same year as they are recognized in the subsidiary financial statement. If dividends / group contribution exceed withheld profits after acquisition, the excess amount represents repayment of invested capital, and the



## NorAm Drilling Group

Notes to Financial Statement



### Note 1 - Accounting Principles

#### 1-9 Accounts receivable and other receivables

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

#### 1-10 Pension obligations and expenses

NorAm Drilling Company has a contribution-based pension plan. Payments to the pension company are expensed as pension costs.

#### 1-11 Cash Flow Statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

#### 1-12 Functional Currency and Presentational Currency

Functional and presentation currency is for NorAm Drilling Company AS and the NorAm Drilling Group is USD. This is based on the following rationale;

##### NorAm Drilling Company AS

All significant P/L transactions is denominated in USD (Interest income from group companies, Other Interest Expenses)

All significant Balance Sheet items is denominated in USD (Loan to group companies, Accounts Receivables and Cash)

##### NorAm Drilling Group

All significant P/L transactions is denominated in USD (Sales, Payroll, Operating expenses from US subsidiary and Other interest expenses)

All significant Balance Sheet items is denominated in USD (Fixed assets, Accounts Receivables, Cash, Accounts Payable and Other Current Liabilities)



## NorAm Drilling Group

Notes to Financial Statement



### Note 2 – Segment and Geographic Information

2024			
(USD)	Noram Drilling AS	Noram Drilling Company	Group
Sales income from third parties	-	103,098,007	103,098,007
Sales income from other segments	109,688	-	-
Depreciation	-	19,678,450	19,678,450
Other operating expenses	757,553	78,389,745	79,147,298
<b>Operating profit</b>	<b>-647,865</b>	<b>5,029,812</b>	<b>4,272,259</b>
Financial expenses	250,099	88,023	338,122
Financial expenses other segments	-4,376,583	4,376,583	-
Financial income	173,549	344,676	518,225
<b>Net financial items</b>	<b>4,300,033</b>	<b>-4,119,930</b>	<b>180,103</b>
Taxes	2,137,325	60,945	2,198,270
Non Current Assets	146,383,635	56,301,267	56,301,267
Interest bearing debt other segments	-	61,511,626	-
2023			
(USD)	Noram Drilling AS	Noram Drilling Company	Group
Sales income from third parties	-	118,293,151	118,293,151
Sales income from other segments	109,688	-	-
Depreciation	-	18,936,725	18,936,725
Other operating expenses	1,079,231	76,003,890	77,083,121
<b>Operating profit</b>	<b>-969,543</b>	<b>23,352,536</b>	<b>22,279,805</b>
Financial expenses	382,701	58,260	440,961
Financial expenses other segments	-6,579,533	6,579,533	-
Financial income	379,059	422,056	801,115
<b>Net financial items</b>	<b>6,575,891</b>	<b>-6,215,737</b>	<b>360,154</b>
Taxes	3,358,440	50,134	3,408,574
Non Current Assets	164,924,417	72,614,861	72,614,861
Interest bearing debt other segments	-	80,110,043	-

### Note 3 - Payroll expenses / Number of Employees / Remuneration/ Auditor's Fee

Payroll expenses etc. (in USD)	2024		2023	
	Noram Drilling AS	Group	Noram Drilling AS	Group
Salaries	37,258	30,811,892	38,738	28,567,019
Payroll tax/Social Security	11,867	2,413,484	7,147	2,342,111
Pension costs	-	-	-	-
Other benefits	126,715	318,057	285,093	445,535
<b>Payroll expenses etc.</b>	<b>175,840</b>	<b>33,543,433</b>	<b>330,978</b>	<b>31,354,665</b>
Number of man-labour years	0	359	0	361

#### Management Remuneration - Noram Drilling AS (USD)

Company officers	Period	2024			Total	2023 Total
		Salaries	Pensions	Other benefits		
Marty Jimmerson*	01.01 - 31.12	525,045	-	-	525,045	475,814
<b>Board</b>	<b>Period</b>	<b>Salaries</b>	<b>Pensions</b>	<b>Other benefits</b>	<b>Total</b>	<b>Total</b>
Ole Bjarte Hjertaker (Board member/Chairman)	01.01 - 31.12	18,629	-	-	18,629	18,974
Gunnar Eliassen (Board member)***	-	-	-	-	-	9,487
Christopher Baker (Board member)	01.01 - 31.12	18,500	-	-	18,500	18,794
Jan Erik Klepsland (Board member)***	01.01 - 31.12	18,629	-	-	18,629	10,277
<b>Total Officers</b>		<b>525,045</b>	<b>-</b>	<b>-</b>	<b>525,045</b>	<b>475,814</b>
<b>Total Board</b>		<b>55,758</b>	<b>-</b>	<b>-</b>	<b>55,758</b>	<b>57,532</b>
<b>Total Remuneration Board and Management</b>		<b>580,803</b>	<b>-</b>	<b>-</b>	<b>580,803</b>	<b>533,346</b>

\*Marty Jimmerson received salary from US subsidiary Noram Drilling Company. The Salaries include bonus payments.

\*\*\* Gunnar Eliassen was replaced as board member 14 June 2023

\*\*\*\* Marty Jimmerson vested 50,000 stock options on 28 February 2023 and 28 February 2024, respectively, Ole Hjertaker vested 33,334 stock options on 1 September 2023 and 1 September 2024, respectively, and Chris Baker vested 16,667 stock options on 1 September 2023 and 1 September 2024, respectively..

CEO Marty Jimmerson has a 1 year rolling employment agreement. In addition to a base salary he is also entitled to a bonus subject to the company's performance.

Mr. Jimmerson is entitled to (i) one-year base salary; (ii) annual cash bonus up to 33% of annual salary and (iii) group health coverage benefits for up to 18 months in the event of a change in control of his employment contract is terminated for anything other than cause. The CEO is also entitled to a 3-month notice period prior to termination.

No loans or securities have been given to the CEO, directors or shareholders. During the year, a loan amounting to \$20.7k was issued to an employee, which was settled before the year-end.



**NorAm Drilling Group**  
Notes to Financial Statement



**Management Remuneration - Group (USD)**

Company officers	2024			Total	2023 Total
	Salary	Pension costs	Other		
Noram Drilling AS	-	-	-	-	-
Subsidiaries	525,045	-	-	525,045	475,814
<b>Board</b>					
Noram Drilling AS	55,758	-	-	55,758	57,532
Subsidiaries	-	-	-	-	-
<b>Total Officers</b>	<b>525,045</b>	<b>-</b>	<b>-</b>	<b>525,045</b>	<b>475,814</b>
<b>Total Board</b>	<b>55,758</b>	<b>-</b>	<b>-</b>	<b>55,758</b>	<b>57,532</b>
<b>Remuneration Board and Management (excl. Share based)</b>	<b>580,803</b>	<b>-</b>	<b>-</b>	<b>580,803</b>	<b>533,346</b>

**Noram Drilling AS Share-Based Payment**

On 28.02.22, Marty Jimmerson and Thomas Taylor were granted 150 000 options each. The grant was Equity Based and vest equally on February 28, 2023, 2024 and 2025. The grant expires on 28.02.27. On 24 July 2024, Thomas Taylor, the Company's Chief Operating Officer, exercised 100,000 stock options. Due to prior cash distribution adjustments, the strike price per share option was negative NOK 5.6412. To account for the negative share price, the company settled the net difference in additional 14,103 shares based upon its market value by applying the volume weighted average price of NOK 40.0004 on 24 July 2024. The initial strike price for both Jimmerson and Taylor was NOK 9. Including accrued dividends as of 31 December 2024, Jimmerson has a total of 150,000 and Taylor has a total of 50,000 stock options with an adjusted strike price of NOK 0. Fair value of granted options is calculated using the Black-Scholes-Merton option pricing model. The options strike price will be adjusted by paid dividends.

On 01.09.22, each Board of Director and certain members of management were granted a total of 300 000 options. 50 000 options were forfeited in 2023. The grant was Equity Based and vest equally on September 1, 2023, 2024 and 2025. The grant expires on 01.09.27. The initial strike price was NOK 40. Including accrued dividends as of 31 December 2024, stock options issued to each Board of Director and certain members of management have an adjusted strike price of NOK 23. Fair value of granted options is calculated using the Black-Scholes-Merton option pricing model. The options strike price will be adjusted by paid dividends. As of 31 December 2024, Ole Hjertaker and Chris Baker hold 100 000 and 50 000 stock options, respectively.

The strike price for all granted options shall be reduced by any declared and paid dividends. In 2024 and 2023, the company declared and paid aggregate dividends of NOK 5 and 10 per share, respectively.

Recognized cost in 2024 and 2023 relating the share options are USD 193 254 and 445 535, respectively.

Historical details for the option plans are as follows:

	01.01.2024 - 31.12.2024		01.01.2023 - 31.12.2023	
	Options	Weighted Average Exercise Price (NOK) *	Options	Weighted Average Exercise Price (NOK) *
Outstanding at the beginning of period	550,000	23.09	600,000	23.50
Granted				
Exercised	(100,000)	9.00		
Terminated				
Forfeited			(50,000)	40.00
Expired				
Outstanding at the end of period	450,000	26.22	550,000	23.09
Vested options	266,668	28.38	183,335	23.09

\*Weighted average exercise price (NOK) excludes accrued dividends.

\*\*Weighted average exercise price (NOK) for vested options, including accrued dividends, as of 31 December 2024 was 11.56

**Auditors remuneration (USD, excl. MVA (VAT))**

	2024		2023	
	Noram Drilling AS	Group	Noram Drilling AS	Group
Ordinary audit	82,962	82,962	133,116	133,116
Other confirmation services	1,378	1,378	4,705	4,705
Tax advisory services	6,185	6,185	4,733	4,733
Other non audit services	13,527	13,527	52,176	52,176
<b>Total</b>	<b>104,052</b>	<b>104,052</b>	<b>194,730</b>	<b>194,730</b>

The ordinary audit expense includes fees for auditing the US subsidiary for the Group consolidated accounts.



NorAm Drilling Group  
Notes to Financial Statement

**NORAM**  
DRILLING

## Note 4 Net Financial Items

	2024		2023	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
<b>Financial income</b>				
<i>Interest income from group companies</i>	4,376,583	-	6,579,533	-
<i>Other interest income</i>				
Interest income bank	70,962	415,638	84,652	506,708
<i>Other financial income</i>				
Currency gains	102,587	102,587	294,407	294,407
Total financial income	4,550,132	518,225	6,958,592	801,115
<b>Financial expenses</b>				
<i>Other interest expenses</i>				
Other interest expenses	-	84,346	-	55,486
<i>Other financial expenses</i>				
Currency losses	250,099	253,776	382,701	385,475
Total financial expenses	250,099	338,122	382,701	440,961
<b>Net financial items</b>	<b>4,300,033</b>	<b>180,103</b>	<b>6,575,891</b>	<b>360,154</b>

## Note 5 - Tax

(USD)	2024		2023	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
<b>Tax base calculation</b>				
Profit (+)/ Loss (-) before income tax	3,652,167	4,452,362	5,606,348	22,633,459
Permanent differences	7,133,628	8,331,370	3,276,307	3,057,626
Temporary differences	(2,540,457)	9,983,482	3,616,861	11,719,652
Tax base	<b>8,245,339</b>	<b>22,767,215</b>	<b>12,499,517</b>	<b>37,410,738</b>
NOL Utilization	-950,629	-15,519,334	-12,308,532	-37,087,849
Tax base after NOL Utilization	<b>7,294,710</b>	<b>7,247,881</b>	<b>190,985</b>	<b>322,889</b>
Income tax payable	1,604,836	1,604,836	42,017	42,017
Sales tax	-	181,145	-	231,406
<b>Tax Payable this year</b>	<b>1,604,836</b>	<b>1,785,981</b>	<b>42,017</b>	<b>273,423</b>
<b>Income Tax Expense:</b>				
Tax Payable this year	1,604,836	1,785,981	42,017	273,423
Changes in deferred tax	472,761	352,561	3,316,422	3,135,150
Correction to prior years	59,727	59,727	-	-
<b>Total Income Tax Expense</b>	<b>2,137,324</b>	<b>2,198,269</b>	<b>3,358,439</b>	<b>3,408,573</b>
<b>Total Income Tax Expense in P&amp;L</b>	<b>2,137,324</b>	<b>2,198,269</b>	<b>3,358,439</b>	<b>3,408,573</b>
<b>Income Tax Payable:</b>				
Income Tax Payable this year	1,604,836	1,785,981	42,017	273,423
<b>Total Income Tax Payable</b>	<b>1,604,836</b>	<b>1,785,981</b>	<b>42,017</b>	<b>273,423</b>
<b>Specification of Basis for Deferred Tax Asset:</b>				
<b>Differences to be balanced</b>				
Fixed assets	-10,402	47,941,422	-12,832	62,237,266
Non-current receivables/debt in foreign exchange	16,817,780	16,817,780	12,914,362	12,914,362
Deferred gain carried forward	5,807,552	5,807,552	7,164,262	7,164,262
Other differences	-24,080	-1,868,755	-1,514	-1,844,675
<b>Total temporary differences</b>	<b>22,590,849</b>	<b>68,697,998</b>	<b>20,064,278</b>	<b>80,471,215</b>
NOL's carried forward	-	-96,041,662	-	-110,610,370
Interest limitation carried forward	-377,657	-33,740,925	-1,402,833	-36,559,530
Basis for calculation of deferred tax asset/liability	22,213,192	-61,084,588	18,661,445	-66,698,685
Deferred tax asset (-) /liability (+)	4,886,902	-13,703,658	4,105,518	-14,809,329
Valuation allowance	-	18,937,236	308,623	19,690,346
<b>Deferred tax asset (-) /liability (+) after valuation allowance</b>	<b>4,886,902</b>	<b>5,233,578</b>	<b>4,414,141</b>	<b>4,881,017</b>
<b>Deferred tax asset (-) /liability (+) in balance sheet</b>	<b>4,886,902</b>	<b>5,233,578</b>	<b>4,414,141</b>	<b>4,881,017</b>
Deferred tax/tax asset not recorded in balance	-	18,937,236	308,623	19,690,346
<b>Deferred tax/ deferred tax asset</b>				
Estimated deferred tax asset in subsidiary NorAm Drilling Company is not recorded in the balance sheet due to uncertainty related to valuation of this asset.				



NorAm Drilling Group  
Notes to Financial Statement

**NORAM**  
DRILLING

## Note 6 - Earnings per share

(USD)	2024		2023	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
Result after income tax	1,514,842	2,254,092	2,247,908	19,224,885
Weighted number of shares	43,190,874	43,190,874	43,140,993	43,140,993
Options	450,000	450,000	550,000	550,000
EPS	0.04	0.05	0.05	0.45
Diluted EPS (incl. Options)	0.03	0.05	0.05	0.44

## Note 7 Tangible assets

Group	Rigs and rig related accessories	Vehicles and Office Equipment	Total
<b>Property, plant and equipment (USD)</b>			
Acquisition cost at 01.01	207,579,883	3,005,050	210,584,933
Additions	3,080,513	284,343	3,364,856
Disposals	-	-	-
Acquisition cost at 31.12	210,660,396	3,289,393	213,949,789
Accumulated depreciation 31.12	154,928,083	2,720,439	157,648,522
<b>Net carrying value at 31.12</b>	<b>55,732,313</b>	<b>568,953</b>	<b>56,301,267</b>
Depreciation for the year	19,409,562	268,888	19,678,450
Impairment loss for the year			
The useful economic life is estimated to be	3-15 years	3-5 years	

The group use linear depreciation for all tangible assets

### Impairment trigger analysis and impairment assessment on tangible assets

No impairment indicators have been identified. The overall market where the rigs operate has been stable and no changes in expected use have occurred. Accordingly, no impairment test has been performed as a result of no impairment indicators being identified.

## Note 8 Shares in Subsidiaries

(USD)	Book value	Shares	Share of voting rights	Equity 2024	Result 2024	Main Office
Company						
NorAm Drilling Company	84,872,009	100%	100%	8,834,562	739,249	Houston

### Impairment trigger analysis and impairment assessment for investments in subsidiaries

No impairment indicators have been identified. Recoverable amount of investment in shares is sensitive to changes in key assumptions, such as expected future dayrates and utilization. Given the magnitude of the carrying amount, management remains attentive to any changes in such assumptions. The overall market where the rigs operate has been stable and no changes in expected use have occurred.

## Note 9 Intercompany Balances

(USD)	2024	2023
<b>Noram Drilling AS</b>		
Loan to NorAm Drilling Company (subsidiary)	61,511,626	80,110,043
Loan from NorAm Drilling Company (subsidiary)	-	-
Accounts payable to NorAm Drilling Company (subsidiary)	11,155	9,376
Noram Drilling AS receivables from NorAm Drilling Company (subsidiary)	-	-



## NorAm Drilling Group

Notes to Financial Statement



### Note 10 - Restricted bank accounts

(USD)	2024		2023	
	Noram Drilling AS	Group	Noram Drilling AS	Group
Employees tax deduction, deposited in a separate bank account	2,843	2,843	2,699	2,699
Secure deposit office leasing and credit cards	-	24,590	-	24,590
<b>Total</b>	<b>2,843</b>	<b>27,433</b>	<b>2,699</b>	<b>27,289</b>

### Note 11 - Equity and Shareholder Information

#### Share Capital Noram Drilling AS and the Group

	2024			2023		
	No. of shares	Face value NOK	Book value NOK	No. of shares	Face value NOK	Book value NOK
Ordinary shares	43,255,096	2.00	86,510,192	43,140,993	2.00	86,281,986
<b>Total</b>	<b>43,255,096</b>		<b>86,510,192</b>	<b>43,140,993</b>		<b>86,281,986</b>

#### Equity (USD)

Noram Drilling AS	Share Capital	Share Premium	Other paid in capital	Other Equity	Total
Equity 31.12.2023	12,547,348	107,185,167	438,907	28,449,022	148,620,444
Profit (+)/Loss (-)	-	-	-	1,514,843	1,514,843
Dividends paid	-	-21,934,429	-	-	-21,934,429
Change in dividends payable	-	1,102,769	-	-	1,102,769
Stock Options	-	184,350	-	-	184,350
Issued Capital	21,176	-	-	-	21,176
<b>Equity 31.12.2024</b>	<b>12,568,524</b>	<b>86,537,857</b>	<b>438,907</b>	<b>29,963,865</b>	<b>129,509,153</b>

#### Equity Group

Group	Share Capital	Share Premium	Other Equity Contributed	Other Equity	Total
Equity 31.12.2023	12,547,348	107,185,167	369,053	-48,257,837	71,843,731
Profit (+)/Loss (-)	-	-	-	2,253,822	2,253,822
Dividends paid	-	-21,934,429	-	-	-21,934,429
Change in dividends payable	-	1,102,769	-	-	1,102,769
Stock Options	-	184,350	-	-	184,350
Issued Capital	21,176	-	-	-	21,176
<b>Equity 31.12.2024</b>	<b>12,568,524</b>	<b>86,537,856</b>	<b>369,053</b>	<b>-46,004,015</b>	<b>53,471,419</b>

The company declared and paid dividends of MUSD 8.7 subsequent to December 31, 2024 through the date of the issuance of this report.

#### 10 Largest Shareholders as per 31.12.2024

#### Noram Drilling AS and Group

	Number of shares		Share [%]
Geveran Trading Ltd	20,818,658		48.3 %
Seabulk AS	2,049,400		5.1 %
Nordnet Livforsikring AS	1,352,778		2.7 %
SFL Corporation Ltd	1,266,225		2.9 %
Danske Bank A/S	935,558		2.2 %
The Bank of New York Mellon S.A.	895,031		2.2 %
The Bank of New York Mellon	856,707		2.0 %
Morgan Stanley & Co. LLC	631,300		1.4 %
Avanza Bank AB	537,014		1.2 %
UBS AG	514,208		1.0 %
Other	13,398,217		31.0 %
<b>Total</b>	<b>43,255,096</b>		<b>100%</b>



## Note 12 Liabilities

(USD)	2024		2023	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
<b>Long term liabilities with maturity before 5 years</b>				
Bond	-	-	-	-
Other long term liabilities	-	-	-	-
<b>Total</b>	-	-	-	-

### Loan to Group Companies

NorAm Drilling AS has a loan outstanding from its wholly owned subsidiary NorAm Drilling Company. A total of MUSD 61.5 and MUSD 80.1 was outstanding as of 31 December 2024 and 2023, respectively.

### Revolving Promissory Note

The Company's subsidiary ("Borrower") has a Loan agreement with a U.S. based bank that provides for a Revolving Promissory Note ("Revolver") of MUSD 4.5. Use of proceeds for any borrowings under this Revolver are available for working capital and general corporate purposes based upon a borrowing base calculation equal to 70% of eligible accounts. Financial covenants include (i) a debt service coverage ratio of not less than 1.2 to 1; (ii) Minimum liquidity requirement of MUSD 5.0 and (iii) a debt to EBITDA ratio of not more than 2.0 to 1.0. The Revolver is secured by accounts receivable and expected to be utilized to reduce the required level of liquidity on our balance sheet.

### Definitions:

Debt Service Coverage Ratio - Borrower will maintain, as of the last day of each fiscal year, a ratio of (a) net income after taxes plus depreciation, amortization and other non-cash expenses, less any distributions during such fiscal year, to (b) current maturities of long-term debt and long-term leases of not less than 1.2 to 1.0.

Minimum Liquidity - maintain, as of the last day of each quarter, Liquidity of at least MUSD 5.0. Liquidity means total market value of Unencumbered Liquid Assets. Unencumbered Liquid Assets means assets owned by Borrower which are not subject to any lien (other than a lien in favor of Lender): (i) cash or cash equivalents held in the United States; and (ii) funds available to be advanced under the note.

Debt to EBITDA Ratio - Borrower will maintain, as of the last day of each fiscal year, a ratio of (a) Debt to (b) EBITDA of not more than 2.0 to 1.0. Notes Payable and other debt payable to NorAm Drilling AS will not be included as "Debt".

Distributions - mean all dividends and other distributions made by Borrower to its shareholder.

EBITDA - Borrower's combined earnings before interest expense, income taxes, depreciation and amortization.

The Group complied with the financial covenants as of 31.12.2024.

## Note 13 - Cares act

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief, and Economic Security (CARES) Act". The CARES Act, among other things, included provisions relating to refundable payroll tax credit, deferral of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvements property.

The company received approximately MUSD 1.4mm in January 2023 related to the final remaining outstanding ERTC payroll credit.

## Note 14 - Subsequent events

On 28 February 2025, Thomas Taylor, the Company's Chief Operating Officer, exercised 50,000 stock options. Due to prior cash distribution adjustments, the strike price per share option was negative NOK 8.7212. To account for the negative share price, the company settled the net difference in additional 12,861 shares based upon its market value by applying the volume weighted average price of NOK 33.9053 on 28 February 2025.

### Market & Activities

WTI began 2024 around \$72 per barrel and finished 2024 near \$72 per barrel. WTI reached a high of \$85 per barrel in April 2024 and a low of \$67 per barrel in September 2024. WTI has declined since the beginning of 2025 as a result of global uncertainties. WTI is currently trading around \$62 per barrel after reaching a low of \$57 in early May 2025.

As of May 23, 2025, the US land drilling active rig count and Permian rig count was 553 and 279, respectively. As of December 31, 2024, the US land drilling active rig count and Permian rig count was 573 and 304, respectively. In comparison, as of December 31, 2023, the US land drilling active rig count and Permian rig count was 601 and 307, respectively. We currently have nine of our eleven rigs under contract.

### Outlook

Based upon current commodity prices and discussions with operators who have been focused on budgets and production discipline, we also believe shale oil production levels have peaked and could indicate that the Permian rig count has reached or is near a bottom. Resolution of global uncertainties, potential tariffs, and other global unrest will impact the second half of 2025 in terms of WTI prices and drilling activity.

Recent E&P acquisition announcements could continue to influence dayrates and rig counts and could impact our ability to renew working rigs and reactivate stacked rigs. As E&P operators remain focused on maintaining current production levels and with drilling but uncompleted (DUCs) wells at decade lows in the Permian basin, we believe "super spec" rigs will remain in high demand in the Permian basin and see increasing incoming interest for rigs later in 2024.

The company declared and paid dividends of MUSD 8.7 subsequent to December 31, 2024 through the date of the issuance of this report.



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To the General Meeting of NorAm Drilling AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of NorAm Drilling AS, which comprise:

- the financial statements of the parent company NorAm Drilling AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of NorAm Drilling AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

### In our opinion

- the financial statements comply with applicable statutory requirements,
- 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 its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

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

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but

#### Offices in:

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Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Fimnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodo	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Strømme	

Penneo Dokumentnummer: V06U4-21F0X-4UM03-06ESF-LQDYE-AQVDE



does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's 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 a true and fair view.
- 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, 28 May 2025

KPMG AS

Bjart Roger Vie  
*State Authorised Public Accountant*  
(This document is signed electronically)

Penneo Dokumentnøkkel: V06UA-21F0X-4UM03-06E8F-LQDYE-AQVDE



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### Vie, Bjart Roger

State Authorised Public Accountant

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## Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 05.09.2016	Vår dato 08.09.2016
Telefon 22078139	Deres referanse OM/LO/BB1800	Vår referanse 2016/903074

KPMG LAW ADVOKATFIRMA AS  
Postboks 7000 Majorstuen  
0306 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for NorAm Drilling AS, org. nr. 990 947 619

Vi viser til deres brev av 5. september 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for NorAm Drilling AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering NorAm Drilling AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

### Bakgrunn

NorAm Drilling AS var inntil november 2014 et børsnotert selskap. Selskapet er ikke lenger rettet mot allmenheten og er i dag et aksjeselskap. Av topp 20 eiere pr. 1. september 2016 er 63,92 prosent utenlandske. Aksjonærene består i all hovedsak av profesjonelle aktører. NorAm Drilling AS er morselskap og eier og finansierer datterselskaper i det internasjonale konsernet NorAm Drilling group. Selskapet har ingen operativ virksomhet i Norge. Den operative virksomheten foregår i sin helhet i datterselskapene i utlandet. Driften i konsernet styres fra NorAm Drilling Company som er lokalisert i USA. Datterselskapene driver utleie og drift av landbaserte borerigger for gass og olje. Konsernets arbeidsspråk er engelsk. Selskapet opererer i en internasjonal bransje og alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### Skattedirektoratets vurdering

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

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

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at majoriteten av aksjonærene er utenlandske. Aksjonærene består i all hovedsak av profesjonelle aktører. Arbeidsspråket er engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

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