ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2025 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	924 186 720
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	JAPEX NORGE AS
Forretningsadresse:	Strandkaien 36 4005 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2025 - 31.12.2025

Konsern

Morselskap i konsern:	Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Nina Henriksen
Dato for fastsettelse av årsregnskapet:	26.03.2026

Grunnlag for avgivelse

År 2025: Årsregnskapet er elektronisk innlevert

År 2024: Tall er hentet fra elektronisk innlevert årsregnskap fra 2025

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, 29.04.2026

Resultatregnskap

Beløp i: NOK	Note	2025	2024
RESULTATREGNSKAP			
Inntekter			
Revenues	4	129 161 834	182 508 273
Gain on sale	15	139 652 151	0
Other operating income		30 000	8 745 632
Sum inntekter		**268 843 985**	**191 253 905**
Kostnader			
Costs of goods sold	5	92 211 984	103 622 984
Exploration expense (Write Off)		0	178 769 982
Depreciation		2 031 112	1 926 218
Nedskrivning av varige driftsmidler og immaterielle eiendeler	16	140 094 059	54 075 000
Administrative Expenses	6,7,8	27 889 964	45 268 369
Exploration expense	9	52 589 568	79 525 483
Share based compensation		0	-4 474 802
Sum kostnader		**314 816 687**	**458 713 234**
Driftsresultat		**-45 972 702**	**-267 459 329**
Finansinntekter og finanskostnader			
Finance income	10	7 666 622	15 396 531
Foreign exchange gain		1 639 767	0
Sum finansinntekter		**9 306 389**	**15 396 531**
Finance costs	11	9 835 717	44 415 762
Foreign exchange loss		0	9 324 114
Sum finanskostnader		**9 835 717**	**53 739 876**
Netto finans		**-529 328**	**-38 343 345**
Resultat før skattekostnad		**-46 502 030**	**-305 802 674**
Income tax credit	12	-181 268 127	-149 406 222
Årsresultat		**134 766 097**	**-156 396 452**
Minoritetsinteresser		0	0

Resultatregnskap

Beløp i: NOK	Note	2025	2024
Årsresultat etter minoritetsinteresser		**134 766 097**	**-156 396 452**

Balanse

Beløp i: NOK	Note	2025	2024
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Exploration, evaluation and intangibleassets	14	45 615 181	52 531 509
Sum immaterielle eiendeler		**45 615 181**	**52 531 509**
Varige driftsmidler			
Propert y, pland and equipment	16	761 454 980	213 099 756
Right of use asset	16	9 818 362	3 376 837
Sum varige driftsmidler		**771 273 342**	**216 476 593**
Sum anleggsmidler		**816 888 523**	**269 008 102**
Omløpsmidler			
Varer			
Inventories	19	25 215 569	880 217
Sum varer		**25 215 569**	**880 217**
Fordringer			
Trade and other receivables	20	89 661 794	32 551 381
Current tax receivable	21	303 700 658	11 525 926
Sum fordringer		**393 362 452**	**44 077 307**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalent	18	283 398 297	47 476 766
Sum bankinnskudd, kontanter og lignende		**283 398 297**	**47 476 766**
Sum omløpsmidler		**701 976 318**	**92 434 290**
SUM EIENDELER		**1 518 864 841**	**361 442 392**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Balanse

Beløp i: NOK	Note	2025	2024
Called up share capital	25	6 786 435	6 786 433
Share premium account	26	1 422 144 984	673 983 986
Sum innskutt egenkapital		**1 428 931 419**	**680 770 419**
Opptjent egenkapital			
Retained earnings		-382 530 411	-517 296 509
Sum opptjent egenkapital		**-382 530 411**	**-517 296 509**
Sum egenkapital		**1 046 401 008**	**163 473 910**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	188 712 057	78 687 220
Sum avsetninger for forpliktelser		**188 712 057**	**78 687 220**
Annen langsiktig gjeld			
Provisions	24	157 570 822	83 896 698
Lease liabilities	23	7 869 192	1 583 328
Sum annen langsiktig gjeld		**165 440 014**	**85 480 026**
Sum langsiktig gjeld		**354 152 071**	**164 167 246**
Kortsiktig gjeld			
Trade and other payables	22	116 362 592	32 007 727
Lease liabilities	23	1 949 170	1 793 509
Sum kortsiktig gjeld		**118 311 762**	**33 801 236**
Sum gjeld		**472 463 833**	**197 968 482**
SUM EGENKAPITAL OG GJELD		**1 518 864 841**	**361 442 392**

JAPEX NORGE AS

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

JAPEX NORGE AS

COMPANY INFORMATION

Directors	Tomomi Yamada (Chairman) Hilde Salthe (Managing Director) Tetsuji Shibuta (Deputy MD)
Company number	924 186 720
Registered office	Strandkaien 36 Stavanger 4005 Norway
Auditor	Ernst & Young AS Vassbotnen 11a Forus PO Box 8015 4314 Sandnes Norway

JAPEX NORGE AS

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Stavanger 26 March 2026

JAPEX NORGE AS

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their annual report and financial statements for the year ended 31 December 2025.

Chairman Statement
JAPEX Norge AS`s (the Company) vision is to create maximum value and return for its shareholder by building a full-cycle E&P business in Norway. The Company will pursue a growth-led strategy to create value through the acquisition of production and development assets as well as continuous exploration programs.

Good progress was made in 2025 with a commercial discovery in Kjøttkake (PL1182S). The discovery on Kjøttkake together with the Company's 2022 Kveikje Discovery facilitated an agreement with Aker BP ASA to acquire 10% interest in the Alve Nord development (PL127C) and 3.5% interest in the Verdande Unit development (PL127, PL127DS) in exchange for our 10% interest in the Kveikje discovery (PL293B and PL293CS), 15% interest in the Kjøttkake discovery (PL1182S) and our 20% interest in license PL1212S as well as USD 14 million.

The transaction was completed in October. The Verdande Field started producing at the beginning of December and Alve Nord is expected to start production in H2 2026. Together with the producing Statfjord Satellites, comprising of 4.80% interest in the Statfjord Øst Unit and 4.32% interest in Sygna Unit, JAPEX Norge has successfully acquired a production base as a solid foundation for the business going forward.

To replenish and strengthen our exploration portfolio, we participated in APA 2025 and were awarded 2 new licenses in January 2026. We remain an active participant on the Norwegian Continental Shelf and continue to focus on high-quality opportunities for long-term and substantial growth of our business.

I am proud of JAPEX Norge AS team for their commitment and expertise, which have driven our success in 2025.

Operational review
The Company, with a 15% non-operated working interest, drilled the Kjøttkake prospect in PL1182 S together with Operator DNO and partners Aker BP and Concedo. The exploration well resulted in a commercial discovery in an attractive area, close to infrastructure and other commercial discoveries. The drilling operation was safely and successfully completed. The Company made a strategic decision to convert this discovery together with our Kveikje discovery and PL 1212 S into two sanctioned development assets, Verdande and Alve Nord, which significantly accelerated revenue. The two newly acquired development assets are progressing very well.

On the Verdande field, 3 development wells were successfully drilled and completed prior to deal completion and the field started production in December.

The field development of Alve Nord is progressing well and is ahead of the anticipated schedule. The drilling of a Lange Formation well and completion of its lower section was successfully implemented, and the drilling of a Jurassic Formation well was suspended at the top of the reservoir section according to plan. Following the drilling and completion of the reservoir section in the Jurassic Formation well, the completion of upper section of a Lange Formation well together with topside modifications at of the Skarv FPSO, the field expects to start production in H2 2026.

The 2025 average production from the Statfjord Satellites was 565 boed net to the Company. The efforts to increase production continued during 2025. The partnership made a decision to drill an exploration well in early 2027, with a back-up infill well target in case of a dry well or a non-commercial discovery. 4D seismic data has been acquired and is currently processing ready for interpretation in 2026 onwards, aiming to identify further infill targets in the Statfjord Øst Unit.

Our overall production average was 235,117 boe (644 boed) in 2025, generating revenues of NOK 129.2 million Production costs were at NOK 356 per boe

In January 2026 the Company was awarded 2 production licenses as part of APA 2025, a 30% interest in PL1289 S and 30% in PL 1310.

JAPEX NORGE AS

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Financial review
The Company had a gross cash position at the end of the period of NOK 283.4 million (2024: NOK 47.5 million) with no borrowings under the Exploration Finance Facility (terminated in December 2024) or from the Acquisition Bridge Facility with mother company Japen Petroleum Exploration Co. Ltd "JAPEX" (2024: USD 20 million) lent via the Acquisition Bridge Facility during the year but repaid in full and terminated prior to year-end).

The gain after taxation for the period excluding other comprehensive income was NOK 134.8 million (2024: loss of NOK 156.4 million).

The profit for the year of NOK 134.8 million includes revenue from product sales amounting NOK 129.2 million (2024: NOK 182.5 million). The main reason for the decrease in revenue from last year was reduced production from Statfjord Øst and an overlift position at year end. The cost of goods sold in 2025 was NOK 92.2 million, a reduction from 2024 of NOK 11.4 million caused by the lower production.

The gross profit for the year ended at NOK 176.6 million (2024: NOK 78.9 million), and includes, in addition to the revenues from product sales and the cost of goods sold, a gain on sale amounting NOK 139.7 million. This gain on sale is from the agreement with Aker BP ASA where the Company acquired 10% interest in Alve Nord and 3. 5% interest in Verdande Unit in exchange for 10% interest in PL293B and PL293CS, 1 5% in PL1182S, and 20% in PL1212S as well as a USD 14 million consideration.

Included in the P&L there is also impairment of the two Statfjord Satellites, Statfjord Øst and Sygna amounting to NOK 140 million, whereof NOK 101.6 million is pre-tax and NOK 38.4 million is post tax (2024: nil).

The tax credit for the year is NOK 181.3 million (2024: NOK 156.4 million).

Salaries and pension costs in the twelve-month period were NOK 27.2 million (2024 NOK 22.6 million). Finance costs of NOK 9.8 million (2024: NOK 44.4 million) were incurred, the decrease from previous year caused by no fees and interest on the EFF Finance Facility and the Acquisition Bridge Facility with JAPEX.

The Company`s strategy to pursue growth opportunities through acquisitions and exploration as well as on-going operations will be fully supported and, if needed, be funded by JAPEX.

From the newly acquired producing asset Verdande and development asset Alve Nord, (expected to commence production in 2H 2026), in addition to the existing producing assets Statfjord Øst and Sygna, the Company will generate its own sustainable cash flow from 2026 and forward. Based on this, the financial statements for the year to 31 December 2025 have been prepared assuming the Company will continue as a going concern.

The working environment and the employees
Leave of absence due to illness totaled 2.17% in 2025 (3.0% in 2024). The Company will continue its efforts to maintain this record on the number of sick days and has initiatives such as access to health treatments and therapy through the Ergo health insurance as well as emphasizing the importance of a good working environment with a flexible balance between work and family life.

No incidents or reporting of work-related accidents resulting in significant material damage or personal injury occurred during the year.

The working environment is already excellent, and continuous efforts for further improvements are made on a regular basis.

Insurance for board members
The Company`s board members are insured with a Directors' Liability Insurance via JAPEX. The insurance covers a limit of liability of YEN 2,000 million and applies to all JAPEX legal entities which includes the Company by virtue of the 100% shareholding held by JAPEX. The principal purpose of the cover is to reimburse directors and officers for losses or advance defense costs in the event of a loss resulting from a legal action brought for alleged wrongful acts in their capacity as directors.

JAPEX NORGE AS

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Results
For the period to 31 December 2025, the Company's gain after taxation was NOK 134.8 million (2024: Loss of NOK 156.4 million).

It is the Board's policy that the Company should seek to generate capital growth for its shareholder with an aim to make distributions at some future date when the investment portfolio matures, and production revenues are established and when it becomes financially prudent to do so.

Principal risks and uncertainties facing the business
The risks set out below are a selection of the principal near-term risks that face the Company. These risks should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties.

<u>Area: Exploration drilling, developing and operating risks</u>
Description:
The Company has invested in exploration for oil and gas, development and production assets which involve a degree of risk. Exploration is a high risk activity and there is no assurance that commitment wells will lead to commercial discoveries or, if there is a commercial discovery, that such reserves will be realizable. Production assets can experience reduced deliverability from the reservoir, well failure and/or infrastructure uptime challenges, pipeline disruptions or earlier than planned cessation.
Drilling operations involve several risks, many of which are beyond the control of the Company, which may delay or adversely impact on the projects which the Company may have acquired or which the Company may have invested. These include mechanical failures or delays, adverse weather conditions and governmental regulations. These delays and potential impacts could result in a project's activities being damaged, delayed or abandoned and substantial losses could be incurred.

Mitigation:
The Company's drilling program carries a range of differing technical and commercial risks. Operational drilling and HSE risks will be managed by the Company through its dedicated drilling and HSE personnel, Business Management System, third parties and other third-party operators. The Company maintains a program of insurance to cover such exposure up to recognised industry limits, but should an incident occur of a magnitude more than such limits, the Company would be fully exposed to the financial consequences.

The Company holds separate risk registers for each licence and operation with mitigating actions.

<u>Area: Political and societal risk</u>
Description:
Politically motivated decisions to reject exploration for new resources and/or development of existing discoveries could also threaten future investments in existing assets leading to the premature removal of supporting infrastructure.

Mitigation:
The Company focusing its operations in Norway whose government remains, on balance, supportive of the sector.

<u>Area: Infrastructure security</u>
Description:
Potential damage to the oil and gas infrastructures related to the Company's activities.

Mitigation:
Company plans to build a portfolio of assets with access to various infrastructures to spread the risk. Insurance for physical damage is in place, including offshore property.

<u>Area: Volatility of commodity prices</u>
Description:
Concerning assets; The prices for oil and gas are volatile and a significant prolonged decline in commodity prices could impact the viability of the projects which may lead to their early abandonment.
Concerning acquisitions; even greater competition for assets, the challenge of matching buyer and seller expectations and an unwillingness of vendors to proceed with disposals during this period of conflict.

Mitigation:
When it comes to volatility of commodity prices concerning assets, it’s a cyclical business - whilst the Company may hedge for short production there is no protection against a long-term decline in prices. Long-term projects may absorb this risk.
Concerning volatility of prices for acquisitions there are few mitigating actions available to the Company.

<u>Area: Competition for acquisition opportunities</u>
Description:
There is significant competition from entities which could be willing to take higher risks and may possess greater technical, financial, human and other resources. Such competition may cause the Company to be unsuccessful in executing an acquisition or may result in a successful acquisition being made at a significantly higher price than would otherwise have been the case.

Mitigation:
It is not possible to mitigate competition for quality assets; however, the Company seeks to reduce competitive risk by targeting assets where it has specific knowledge or would likely be a preferred partner.

<u>Area: Reliance on key personnel</u>
Description:
The success of the Company, including its ability to identify and complete potential acquisitions, will be dependent on the services of key management and operating personnel, including both its existing executives and individuals who have yet to be identified. If the Company fails to retain or recruit the necessary personnel, or if the Company loses the services of any of its key executives, its business could be materially and adversely affected.

Mitigation:
To mitigate this risk, the Company has to offer competitive remuneration to incentivise loyalty and good performance from its staff. There can be no mitigation against loss of key personnel resulting from any major accident or other loss of physical wellbeing. The Company is capable of receiving long-term or ad-hoc support from the shareholder on a required basis.

<u>Area: Functioning M&A market</u>
Description:
High oil and gas prices and limited new sizable discoveries in recent years may have an impact on the M&A market and the players on the NCS may only have access to more selective asset’s disposal programs.

Mitigation:
The Company will continue to pursue its acquisition strategy and engage with players on the NCS.

<u>Area: Foreign Exchange Rate Volatility</u>
Description:
The proceeds from a capital raise or debt may be in other currencies and the conversion may lead to a foreign exchange loss and consequent material impact on the Company's finances. The majority of the Company's expenditure is in Norwegian kroner and United States dollars and changes in currency values could have a material adverse effect on the Company's financial position.

Mitigation:
The Company now has a sustainable revenue stream in United States dollars and GBP and can utilize such cash to meet expenditure requirement in the same currency without foreign exchange risk. Whilst the Company may hedge against any specific currency exposure of scale, to date it has simply converted its cash to meet its budgeted currency exposure as and when the exchange rates are favorable and by doing so is exposed to any material exchange rate movements especially for the expenditure in Norwegian kroner.

JAPEX NORGE AS

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Area: Climate Change and Related Regulation

Description:

Various regulatory measures aimed at reducing greenhouse gas emissions and improving energy efficiency may affect the Company's operations. Governments may prohibit or reduce exploration and increase carbon taxes threatening the viability of fields with higher emissions.

Mitigation:

The Company will favour low carbon emission projects and comply with such regulations as required.

Area: Environmental Regulation

Description:

The Company operates under strict and evolving environmental regulations in Norway, including emissions limits and carbon pricing. Changes in regulation or enforcement may increase costs, delay or restrict projects, and reduce profitability or asset values. Compliance may require significant investments, while non-compliance could result in fines, sanctions, or operational restrictions, with a potential adverse effect on the Company's financial position and results.

Mitigation:

The Company seeks to mitigate environmental regulatory risk through continuous monitoring of regulatory developments, proactive engagement with authorities, and integration of regulatory requirements into project planning and investment decisions. The Company supports the operators in the investments of emissions-reducing technologies and operational improvements to ensure compliance and improve environmental performance. In addition, robust governance, compliance systems, and internal controls are maintained to reduce the risk of breaches, delays, and unplanned costs.

Area: Geopolitical risk

Description:

The Company's operations and financial performance may be impacted by geopolitical developments, including international conflicts, sanctions, trade disputes, and tariffs. Such developments may disrupt global supply chains, increase the cost or reduce the availability of materials, equipment, and services, and result in delays to exploration, development, and production activities. Geopolitical tensions may also affect global economic conditions and energy markets, contributing to volatility in oil and gas prices and uncertainty in investment conditions.

Mitigation:

As a non-operating partner, the Company manages geopolitical and supply chain risks primarily through active participation in license governance and oversight of operator activities through the obligation as a partner.

Risk exposure is further mitigated by the Company's geographic focus on the Norwegian Continental Shelf, which operates within a stable regulatory and political framework.

The Company also applies disciplined investment and capital allocation processes, including scenario analyses and cost sensitivity assessments when evaluating new investments or project sanctions.

Area: Going Concern

Description:

The Company currently has the ability to continue as a going concern as the budgeted cash flow proves to generate sufficient cash flow from present and future operations for the next 12 months and further. There are of course uncertainties such as market volatility, commodity prices, customer demand fluctuations, global and Norwegian politics and cost increases that could affect future operating results.

Mitigation:

While some external factors are outside the control of the Company, these risks are mitigated by the Company's sufficient liquidity position and the ongoing financial support from the financially strong mother company. Further to secure the funds, the Company places its cash with banks holding an appropriate credit rating.

JAPEX NORGE AS

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Corporate and Social Responsibility Report

Introduction
The Company is committed to high standards of health, safety and environmental performance. The health and safety of people, the protection of the environment and compliance with all applicable legal and internal requirements as well as industry best practice, is critical to the overall success of the Company. The Directors have put in place a Business Management System (BMS) to provide both the framework and mechanism to manage health, safety and environmental risks as well as ensuring their continual improvement.

Business Principles and Ethics
The Company is committed to maintaining high standards of corporate governance to ensure that it is managed with openness, honesty, and transparency. The Company is bound by its Business Principles and Ethics Policy. This policy is key to the way we work both internally and externally. The Company strives to meet the highest standards of integrity and ethics as it undertakes its activities. To ensure these values are core to the business, they are integrated within the BMS through policies, procedures, and project plans.

The operations in Norway, which is amongst the most mature oil and gas jurisdictions in the world, require the Company to operate to very high regulatory standards for Environmental, Health and Safety legislation.

Environmental stewardship
The Company supports the goals of the Paris Agreement and the net zero emissions by 2050 targets. The Company recognizes the combined challenge of meeting increasing energy demand driven by a growing global and more affluent population and the urgent need to reduce global carbon emissions. As such, the Company aims to take an active role to try to reduce carbon emissions from its activities as it develops, acquires further assets and supports the energy transition through playing an active role at a company and industry level to promote best practice in environmental stewardship. The Company will encourage the operators to use renewable energy for power wherever it is economical, practical and possible.

The Company remains committed to reporting consistently and transparently and as it develops its portfolio it will continue to ensure it has high standards of environmental transparency and reporting relevant to the asset base. The Company will continue to monitor the evolution of environmental reporting standards and will seek to produce a separate sustainability report as its portfolio grows.

The Company plans to develop its business so that it has a sustainable strategy as an oil and gas company providing safe and responsible energy with low emissions.

Greenhouse gas (GHG) emissions
The Company reports its equity share of Scope 1 emissions from exploration drilling in PL1182 (Kjøttkake), development drilling operations at Alve Nord, and from the producing fields Statfjord Øst, Sygna and Verdande. (2024: Statfjord Øst and Sygna).
An estimate of Scope 2 emissions of GHGs is a part of the annual HSE monitoring program. The Company's equity share of Scope 1 GHG emissions (CO2, CO, N2O, nm VOC, NOx and Sox) has been estimated at 1086 tonnes (2024: 223.23 tonnes), of which 1060 tonnes were CO2 (2024: 220.4 tonnes). It is the Company's intention to acquire additional oil and gas production and development assets and if successful, the Company will assess and manage the risks of its operations to try to improve its environmental performance on a continual basis. BMS

Environmental management is an integral part of the Business Management System (BMS) and the company's see-to-duty responsibility for the activities. This includes ensuring that the operator has established and maintains the necessary environmental management measures, including environmental permits, identification of main environmental aspects, chemical assessments and substitution plans, environmental reporting, environmental surveys/studies and assessments, and oil spill preparedness plans.

Environmental releases

The Company has a target of zero acute discharges to sea. Any spill, irrespective of size, is recorded and followed up internally. There was no spill registered in 2025 from the operations Company had equity interests in (2024: 1 liter of ShellTellus S2 MX22 hydraulic oil was lost to sea during an IMR campaign at Statfjord Øst. The incident was not reported to the authorities and is not required to be notified to the authorities as the incident is classified with green risk level.)

People and Equal opportunities and discrimination

The Company is an equal opportunities employer and will recruit, employ and develop employees in line with best practice and based on the qualifications, experience and skills required for the work. We consider applications for employment from people regardless of gender, race, age, disability, marital status, sexual orientation or religious belief. We have respect for human dignity and the rights of the individual. We support the principles of, and promote respect for, the Universal Declaration of Human Rights.

Societal contribution

The Company intends to identify impactful community programs to be funded as part of the longer-term corporate social investment strategy.

Statement of going concern

The Directors have completed the going concern assessment, including considering cash flow forecasts up to the end of 2025, sensitivities, and stress tests to assess whether the Company is a going concern.

The Company has sufficient cash resources to meet its day-to-day operational requirements for the foreseeable future. In addition, the Company is supported by its parent company, JAPEX, which has the financial capacity and intent to provide additional funding, if required, to support growth opportunities and ongoing operations. Accordingly, the financial statements for the year 2025 have been prepared assuming the Company will continue as a going concern.

Outlook

The focus of the Directors is to achieve the production level through a proper management of existing assets as well as acquiring additional assets and exploration licenses that fit the Company's strategy.

Independent auditors

The Directors have reason to believe that Ernst & Young AS conducted an effective audit. The Directors have provided the auditors with full access to all of the books and records of the Company. Ernst & Young AS has expressed its willingness to continue to act as auditors to the Company and a resolution for its re-appointment will be proposed at the next Company meeting.

JAPEX NORGE AS

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Stavanger 26 March 2026

DocuSigned by:
AF5F512884DA447...
Tomomi Yamada
Chairman of the Board

Signed by:
C3999DE4F0A1419...
Hilde Salthe
Board member

Signed by:
F8EF40695B46479...
Tetsuji Shibuta
Board member

JAPEX NORGE AS

STATEMENT OF COMPREHENSIVE INCOME/(LOSS)

AS AT 31 DECEMBER 2025

	Notes	2025 NOK	2024 NOK
Revenues	4	129,161,834	182,508,273
Gain on sale	15	139,652,151	-
Cost of goods sold	5	(92,211,984)	(103,622,984)
			-
Gross profit		176,602,001	78,885,289
Other operating income		30,000	8,745,632
Administrative expenses	6,7,8	(27,889,964)	(45,268,369)
Share based compensation		-	4,474,802
Depreciation		(2,031,112)	(1,926,218)
Impairment of oil and gas assets	16	(140,094,059)	(54,075,000)
Exploration expenses	9	(52,589,568)	(258,295,465)
Operating loss		(45,972,701)	(267,459,329)
Finance income	10	7,666,622	15,396,531
Finance costs	11	(9,835,717)	(44,415,762)
Foreign exchange gain/(loss)		1,639,767	(9,324,114)
Gain/(Loss) before taxation		(46,502,029)	(305,802,673)
Income tax credit	12	181,268,127	149,406,222
Gain/(Loss) for the year		**134,766,098**	**(156,396,451)**
Gain/(Loss) per share	13	19.86	(23.05)

JAPEX NORGE AS

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 NOK	2024 NOK
Non-current assets			
Exploration, evaluation and intangible assets	14	45,615,181	52,531,509
Property, plant and equipment	16	761,454,980	213,099,756
Right of use asset	16	9,818,362	3,376,837
		816,888,523	269,008,102
Current assets			
Cash and cash equivalents	18	283,398,297	47,476,766
Inventories	19	25,215,569	880,217
Trade and other receivables	20	89,661,794	32,551,381
Current tax receivable	21	303,700,658	11,525,926
		701,976,318	92,434,290
Total assets		**1,518,864,841**	**361,442,392**
Current liabilities			
Trade and other payables	22	116,362,592	32,007,727
Lease liabilities	23	1,949,170	1,793,509
		118,311,762	33,801,236
Net current assets		583,664,556	58,633,054
Non-current liabilities			
Provisions	24	157,570,822	83,896,698
Lease liabilities	23	7,869,192	1,583,328
Deferred tax liabilities	12	188,712,057	78,687,220
		354,152,071	164,167,246
Total liabilities		472,463,833	197,968,482
Net assets		1,046,401,008	163,473,910
Equity			
Called up share capital	25	6,786,435	6,786,433
Share premium account	26	1,422,144,984	673,983,986
Retained earnings		(382,530,411)	(517,296,509)
Total equity		1,046,401,008	163,473,910
Total equity and liabilities		**1,518,864,840**	**361,442,392**

JAPEX NORGE AS

STATEMENT OF FINANCIAL POSITION) (CONTINUED)

AS AT 31 DECEMBER 2025

The financial statements were approved by the board of directors and authorised for issue on 26 March 2026 and are signed on its behalf by:

DocuSigned by: AF5F512804DA447... Tomomi Yamada Chairman of the Board	Signed by: Hilde Salthe C3999DE4F0A1413... Hilde Salthe Board member

Signed by:
Tetsuji Shibuta
F0EF18895B40473...
Tetsuji Shibuta
Board member

JAPEX NORGE AS

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Share Capital NOK	Share Premium Account NOK	Retained earnings NOK	Total NOK
Balance at 1 January 2024		6,786,430	522,119,744	(360,900,058)	168,006,116
Loss for the year		-	-	(156,396,451)	(156,396,450)
Issue of share capital	24,25	3	151,864,242	-	151,864,245
Balance at 31 December 2024		**6,786,433**	**673,983,986**	**(517,296,509)**	**163,473,910**
Gain for the year		-	-	134,766,098	134,766,098
Issue of share capital	24,25	2	748,160,998	-	748,161,000
Balance at 31 December 2025		**6,786,435**	**1,422,144,984**	**(382,530,411)**	**1,046,401,008**

JAPEX NORGE AS

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 NOK	2024 NOK
Profit/(Loss) for the year after tax	134,766,098	(156,396,451)
Taxation credit	(181,268,127)	(152,241,086)
Exploration write offs	(916,475)	178,769,982
Movement in over/underlift	(15,230,341)	-
Impairment	140,094,059	54,075,000
Amortised bank fees	-	5,800,000
Interest payable	7,532,527	29,977,094
Interest receivable	(9,187,428)	(15,396,531)
Depreciation of property, plant and equipment	54,542,941	55,148,077
Lease depreciation – IFRS 16	1,841,911	1,710,267
Lease interest	151,667	339,891
Share based payment expense	-	(4,474,802)
EFF commitment fee	-	4,193,000
Decommissioning costs	5,323,907	-
Gain on sale	(139,652,151)	-
Foreign exchange	2,206,145	(465,240)
Movement in working capital:		
Inventories	-	202,461
Trade and other payables	12,882,212	(13,538,656)
Trade and other receivables	(21,315,391)	5,886,660
Net cash outflow from operating activities	**(8,228,446)**	**(6,410,334)**
Investing activities		
Purchase of exploration and evaluation assets	(53,756,732)	3,157,851
Purchase of property, plant and equipment	(453,735,011)	(293,587,858)
Decommissioning liability (part of PP&E purchase)	(9,419,155)	-
Tax refund relating to investing activity	12,012,576	311,191,283
Interest received	6,577,463	15,396,531
Net cash (used in)/generated from investing activities	**(498,320,859)**	**36,157,807**
Financing activities		
Proceeds from issue of shares	748,161,000	151,864,242
Interest paid	(3,270,984)	(29,977,094)
Loan facility fees	-	(4,193,000)
Repayment of loan	-	(204,200,002)
Payment of lease	(2,419,177)	(1,896,000
Net cash generated from/(used in) financing activities	**742,470,839**	**(88,401,854)**
Net increase/(decrease) in cash and cash equivalents	**235,921,534**	**(58,654,381)**
Cash and cash equivalents at beginning of year	47,476,763	106,131,144
Cash and cash equivalents at end of year	283,398,297	47,476,763

Relating to: bank balances and short-term deposits

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies

Company information
JAPEX Norge AS is a private limited company, limited by shares incorporated in Norway. The registered office is Strandkaien 36, Stavanger 4005, Norway. The Company's principal activities and nature of its operations are disclosed in the Directors' report.

1.1. Accounting convention

As required by the European Union's IAS Regulation and the Norwegian Accounting Act, the Company has prepared its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). References to IFRS hereafter should be construed as references to IFRS as adopted by the EU. The accounting policies applied are consistent with those applied in the previous financial year, except for the implementation of new and revised accounting standards and interpretations, and other changes, as described below.

The financial statements are prepared in Norwegian kroner, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest NOK.

The financial statements have been prepared under the historical cost convention.

There have been no changes in accounting policies from 2024 to 2025. The only changes relate to a reclassifications within notes to the annual accounts for presentation purposes.

1.2. Foreign currency

The functional currency of the Company is Norwegian Kroner. Transactions in foreign currencies during the year are recorded in the functional currency at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate ruling on the Statement of Financial Position date and any gains and losses on translation are reflected in the Statement of Comprehensive Income Statement.

1.3. Revenue

Revenues presented in the Statement of comprehensive income/(loss) consist of revenue from contracts with customers. Revenue from contracts with customers is recognized when control of the oil, gas or NGL transfers to the customer. This is based on the contractual terms of the sales agreements and is currently when title passes at the point of lifting by the customer. In general, the revenues from production of oil, gas and NGL are recognized based on volumes lifted and sold to customers during the period.

1.4. Overlift/underlift

A liability (overlift) arises when the Company sells more than its share of the oil and gas production. Similarly, an asset (underlift) arises when the sale is less than the Company's share of the oil and gas production. In general, the overlift/underlift balances are valued at production cost including depreciation. The movements in overlift/underlift are presented as an adjustment to cost of goods sold.

1.5. Joint arrangements

Judgement is required to determine when the Company has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Company has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement, including the approval of the annual capital and operating expenditure work programme and budget for the joint arrangement, and the approval of chosen service providers for any major capital expenditure as required by the joint operating agreements applicable to the entity's joint arrangements. Judgement is also required to classify a joint arrangement.

1.5. Joint arrangements (continued)

Classifying the arrangement requires the Company to assess their rights and obligations arising from the arrangement. Specifically, the Company considers:

- the structure of the joint arrangement; whether it is structured through a separate vehicle;

- when the arrangement is structured through a separate vehicle, the Company also considers the rights and obligations arising therefrom:

the legal form of the separate vehicle; the terms of the contractual arrangement, or other facts and circumstances, considered on a case-by-case basis.

This assessment often requires significant judgement. A different conclusion about both joint control and whether the arrangement is a joint operation or a joint venture, may materially impact the accounting.

For the licence activities a Joint Operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements.

In relation to its interests in joint operations, the Company uses IFRS 11 by analogy for all licence arrangements whether these are in the scope of IFRS 11 or not. The Company recognises its:

- assets, including its share of any assets held jointly;
- liabilities, including its share of any liabilities incurred jointly;
- revenue from the sale of its share of the output arising from the joint operation;
- share of the revenue from the sale of the output by the joint operation; and
- expenses, including its share of any expenses incurred jointly.

1.6. Going concern

The Directors have completed the going concern assessment, including considering cash flow forecasts up to the end of 2025, sensitivities, and stress tests to assess whether the Company is a going concern.

The Company has sufficient cash resources to meet its day-to-day operational requirements for the foreseeable future. In addition, the Company is supported by its parent company, JAPEX, which has the financial capacity and intent to provide additional funding, if required, to support growth opportunities and ongoing operations. Accordingly, the financial statements for the year 2025 have been prepared assuming the Company will continue as a going concern.

1.7. Exploration and evaluation (E&E) Assets

Exploration and evaluation assets – capitalisation

Oil and natural gas exploration and evaluation expenditures are accounted for using the successful efforts method of accounting. Under this method, costs are accumulated on a prospect-by-prospect basis and capitalised upon activities leading directly to discovery of commercially viable mineral reserves. If commercial viability is not achieved or achievable, such costs are charged to exploration expense.
Costs incurred in the exploration and evaluation of assets include:

(i) License and property acquisition costs

Exploration licence and property leasehold acquisition costs are capitalised within exploration and evaluation assets. Pre licence costs and general exploration costs not specific to any particular licence or prospect are expensed as incurred.

1.7. Exploration and evaluation (E&E) Assets (continued)

Licence and property acquisition costs are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is under way to determine that the discovery is economically viable based on a range of technical and commercial considerations and that sufficient progress is being made on establishing development plans and timing.

If the well is dry, no future activity is planned or the licence has been relinquished or has expired, the carrying value of the licence and property acquisition costs are written off through profit or loss.

(ii) Exploration and evaluation expenditure

Expenditures for activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource are also capitalised as exploration and evaluation assets.

Costs directly associated with drilling an exploration well incurred after the legal right has been acquired are capitalized as exploration and evaluation assets until the drilling of the well is completed and the results have been evaluated. Those costs include directly attributable employee remuneration, materials and fuel used, rig costs, and payments made to contractors.

Geological and geophysical costs are recognised in profit or loss, as incurred.

If no potentially commercial hydrocarbons are discovered, the exploration asset is written off through profit or loss as a dry hole. If extractable hydrocarbons are found and, subject to further appraisal activity (e.g., the drilling of additional wells), it is probable that they can be commercially developed, the costs continue to be carried as an intangible asset whilst continued progress is made in assessing the commerciality of the hydrocarbons.

All such capitalised costs are subject to technical, commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off to the profit or loss.
Once commercial reserves are identified and development is sanctioned by management, the relevant exploration and evaluation assets are first assessed for impairment and then the remaining balance is transferred to property, plant and equipment: development assets. No amortisation is charged during the exploration and evaluation phase.

1.8. Development Costs

Expenditure on the construction, installation, or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells is capitalised within property, plant and equipment.

1.9. Property, plant and equipment

Property, plant and equipment is measured at cost, less accumulated depreciation and impairment. The initial cost of an asset comprises its purchase price or construction cost plus any costs directly attributable to bringing the asset into operation. In addition to the producing asset, there will also be a decommissioning asset based on an initial estimate of asset retirement obligation cost.
Capitalised exploration and evaluation expenditures, development expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of production wells, and field-dedicated transport systems for oil and gas are capitalised as Producing oil and gas properties within Property, plant and equipment. Depreciation of production wells uses the unit of production (UoP) method based on proved developed reserves.

1.10. Acquisitions

Acquisitions are assessed to determine whether they meet the criteria of a business combination or an Asset acquisition.

When deciding whether an M&A deal is a Business Combination or an Asset Acquisition, the Company has the view that projects still in the development phase can be challenging to perform an assessment of. Therefore, a judgement process on a case by-case basis needs to be performed for each deal to conclude. The Company is using relevant standards to classify the assets in the transactions to best determine if the assets in the transaction falls within the business definition and be treated under IFRS 3, or if they fall outside and then treated under IAS 16.

The key distinction between a Business Combination (IFRS 3) and an Asset Acquisition lies in whether the acquired assets and liabilities constitute a "business". A “business” is understood as an integrated set of activities with inputs and substantive processes to create outputs.

The accounting treatment of a Business Combination and an Asset Acquisition will be different and potentially have significant impact on accounting. A business one will apply the acquisition method (fair value, goodwill, consolidation), while an asset, treat it as an asset acquisition (cost allocation to identifiable assets/liabilities, no business goodwill, no consolidation).

1.11. Asset retirement obligation (ARO)

Provisions for asset retirement obligations (ARO) are recognised when there is an obligation (legal or constructive) to dismantle and remove a facility or an item of property, plant and equipment and restore the site on which it was located.
The amount recognised as a provision is the present value of the estimated future expenditures. This future cost estimate is based on current regulations and technology, considering relevant risks and uncertainties. The discount rate used in the calculation of the ARO is a market-based risk-free rate based on the applicable currency (mainly USD) and time horizon of the underlying cash flows. The ARO provisions are classified under Provisions in the balance sheet.
When a provision for ARO is recognised, a corresponding amount is recognised as an increase of the related asset within property, plant and equipment and is subsequently depreciated over the useful life of the asset, using the UoP depreciation method. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding adjustment to the carrying value of the property, plant and equipment, if such asset headroom exists, otherwise the adjustment will be taken directly to the Income statement.

1.12. Impairment of assets

Impairment of assets is assessed when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The facts and circumstances used are in accordance with those dictated by IFRS 6 and if any of those circumstances are present than and impairment test is performed in accordance with IAS 36 and any loss recognised.

1.13. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

1.14. Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets are assessed for impairment at each reporting end date.

1.15. Financial liabilities

The Company recognises financial debt when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

1.16. Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current tax payable/receivable is based on taxable profit/loss for the year. Taxable profit/loss differs from net profit/loss as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company’s receivable for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

The Company benefits from tax legislation in Norway which allows tax to be reclaimed on specific tax loss for the year. This allows the Company to recognise a tax receivable.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.16. Taxation (continued)

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18. Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19. Leases

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the Company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the Company's estimate of the amount expected to be payable under a residual value guarantee; or the Company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1.19. Leases (continued)

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

1.20. Reserves

Share capital
Share capital represents the nominal value of shares issued less the nominal value of shares repurchased and cancelled.

Share premium
This reserve represents the difference between the issue price and the nominal value of shares at the date of issue, net of related issue costs and share premium cancelled.

Retained earnings
Net revenue profits and losses of the Group which are revenue in nature are dealt with in this reserve.

2. Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted by the Company. None of these new and revised Standards and Interpretations had an effect on the current period or a prior period but may have an effect on future periods:

Standard/Amendment	Title	Effective from
IAS 21 (Amendments)	Lack of exchangeability	1 January 2025

The amendments to IAS 21 introduce requirements to assess when a currency if exchangeable into another currency and when it is not. Where a currency is not exchangeable, an entity is required to estimate the spot exchange rate. The adoption of these amendments had no effect on the financial statements of the Company for the year ended 31 December 2025.

During the year, the IASB also issued illustrative examples on reporting uncertainties in financial statements. These illustrative examples are accompanying materials to IFRS Accounting Standard and do not have an effective date. The Company has considered these illustrative examples in the preparation of the financial statements and no additional disclosures or changes in presentation were considered necessary.

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not yet been applied in these financial statements, were in issue but not yet effective:

Standard/Amendment	Title	Effective from
IFRS 9 & IFRS 7 (Amendments)	Classification and measurement of financial instruments	1 January 2026
IFRS 9 & IFRS 7 (Amendments)	Contracts referencing nature-dependent electricity	1 January 2026
IFRS 18	Presentation and disclosure in financial statements	1 January 2027
IFRS 19	Subsidiaries without public accountability: Disclosures	1 January 2027

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company aside from additional disclosures.

The Company plans to adopt the above standards when from the effective dates noted in the table above.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

3. Critical accounting estimates and judgements

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Exploration and evaluation assets (note 14)
Judgement is required to determine whether impairment indicators exist in respect of the Company's exploration assets recognised in the statement of financial position. The Company has to take into consideration whether the assets have suffered any impairment, taking into consideration the results of the drilling to date, and the likelihood of reserves being found. The Company relies upon information from third parties to take these decisions, and can be subject to change, if future information becomes available.

Per 31 December 2025 there were no active exploration licenses in the Company. The write offs in 2025 amounting to a credit of NOK 0.9 million relates to late drilling costs, or credits, on the relinquished licenses PL1100 Oswig, PL1016 Velocette and PL901 Rødhette.

Production assets (note 16)
Judgement is required to determine whether impairment indicators exist in respect of the Company's producing assets recognised in the statement of financial position. The Company must consider whether the assets have suffered any impairment, taking into consideration commodity prices, production profiles, climate change, energy transition activities, and reserve estimates. The Company takes account of information from third parties, such as operators and partners, to take these decisions, and can be subject to change, if future information becomes available.

At 2025 year end the Company sees a reduction in Statfjord Øst reserves estimates, and forecasts further cost overruns and underperformance at the Statfjord Øst and Sygna fields. These were considered as impairment indicators and led to an impairment test with a full value-in-use calculation at year end.

The value-in-use calculation, using a discount rate of 6 % (2024: 6%), showed no positive value-in-use for Sygna, which has been fully impaired as of end of FY 2025. For Statfjord Øst the calculation showed a remaining positive value-in-use of NOK 5.7 million post-tax. Based on the company's calculation the assets book value has been written down through impairment in 2025 of NOK 136 million on Statfjord Øst and NOK 4 million on Sygna accordingly, giving a total impairment loss of NOK 140 million.

Asset swap transaction (note 15)
The swap transaction involves the exchange of the Company`s held interests in Kveikje (PL293B), Kjøttkake (PL1182S) and Magnolia (PL1212), plus a consideration of USD 14 million, for equities in the Aker BP held Alve Nord and Verdande developments. This transaction required judgment to determine whether the transaction represented an Asset Acquisition or a business combination.

In forming the conclusion that the swap represented both an Asset acquisition (Alve Nord) and a Business Combination (Verdande), management considered factors including the stage of development and the extent of inputs and processes necessary to generate outputs. Estimation and judgment were applied in fair valuing the incoming and outgoing balances associated with all the assets to establish the final accounting entries.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

4. Revenue

	2025	2024
	NOK	NOK
Sale of Oil	87,399,774	129,166,389
Sale of natural gas liquids (NGLs)	10,889,836	17,823,094
Sale of gas	30,872,224	35,518,790
	129,161,834	**182,508,273**

5. Cost of goods sold

	2025	2024
	NOK	NOK
Lifting costs	47,384,308	35,224,755
Tariff and transportation expenses	5,704,276	7,799,128
Movement in over/underlift	(15,230,341)	5,666,975
Depreciation, depletion and amortization	54,353,741	54,932,126
	92,211,984	**103,622,984**

6. Administrative expenses

Administrative expenses are extensive in nature and value range. Below is a list of the larger items.

	2025	2024
	NOK	NOK
Payroll	22,212,486	27,432,448
Executive Directors fee (note 7)	4,694,141	3,684,844
Non-Executive Directors fee	280,000	217,391
Secondment fees and payroll related taxes	16,187,494	13,013,184
Service charge	-	5,704,971
Other social expenses	2,305,859	12,362
Consultancy	3,292,614	6,459,093
Annual audit fee agreed with external auditors	722,190	540,000
Accounting, Legal & Professional fees	7,594,376	8,147,240
IT, phone & Internet	3,004,675	3,121,904
Other administrative expenses	4,225,178	1,373,894
Timewriting recharge to assets	(36,909,050)	(24,438,963)
	27,889,964	**45,268,369**

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

7. Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2025 Number	2024 Number
Executive Directors*	2	1
Non-executive Directors**	1	1
Staff	10	9
Secondees	3	3
Total	**16**	**14**

* One of which is a secondee from the Japex Petroleum Exploration Co head office.

**Per 28 April 2025 the Board of Directors proposed to reduce the number of board members from 4 to 3. Board member Helge A Hammer voluntarily stepped down from the board.

Their aggregate remuneration comprised:

	2025 NOK	2024 NOK
Wages and salaries	21,386,795	16,817,827
Social security costs	3,434,312	3,442,067
Pension costs	2,365,521	2,302,142
	27,186,627	**22,562,036**

	2025 NOK	2024 NOK
Secondee cost	16,187,494	13,013,184

The remuneration of managing director and non-executive director is shown below:

	Salary	Pension	Other	Total
Managing director	4,255,946	413,613	24,582	4,694,141
Non-executive director	280,000*	-	-	280.000
TOTAL	**4,535,946**	**413,613**	**24,582**	**4,974,141**

The Managing Director is participating in the company bonus scheme where the final amount is decided by the board of directors on an annual basis.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

8. Auditor's remuneration

	2025 NOK	2024 NOK
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	722,192	540,000
For non-audit services		
Tax advice	-	685,215
Other non-audit services	76,000	46,250

For the year ended 31 December 2024, Ernst & Young (EY) was appointed as the Company's external auditor, replacing BDO.

9. Exploration and evaluation expenses

	2025 NOK	2024 NOK
Pre-award costs incl time writing	38,357,046	14,668,211
Exploration expenses internal	3,423,005	40,237,011
Exploration expenses JV	11,725,992	24,620,261
Write off	(916,475)	178,769,982
	52,589,568	**258,295,465**

Per 31.12.25 there were no active exploration licenses in the Company.

The write offs in 2025 relates to late drilling costs on the relinquished licenses PL1100 Oswig, PL1016 Velocette and PL901 Rødhette.

Further information in respect of subsequent events can be found in note 29.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

10. Finance income

	2025 NOK	2024 NOK
Interest income		
Interest on tax refund	470,991	13,036,208
Interest relating to Joint Venture Billings	1,089,159	-
Bank deposits	6,106,472	2,360,323
	7,666,622	**15,396,531**

11. Finance costs

	2025 NOK	2024 NOK
Interest on intercompany loans	-	14,366,640
Interest and fees on long term loans	-	25,419,426
Interest relating to JVB	-	153,975
Interest on ROU asset	151,667	339,891
Other interest and charges	4,360,143	30,054
Decommissioning (ARO) accretion	5,323,907	4,105,776
	9,835,717	**44,415,762**

There were no active loan agreements in 2025.

In 2021 the Company entered into a rolling exploration funding facility with 1 SR-Bank ASA and ING Bank N.V. in Norway to allow funding for exploration activities to take place. The loan was fully repaid and the agreement terminated in December 2024.
In 2024 the Company also held an Acquisition Bridge Facility with mother company JAPEX with USD 20 million lent during the year but repaid in full and terminated prior to year-end 2024.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

12. Income tax (credit)/expense

	2025 NOK	2024 NOK
Current tax		
Tax on losses for the current period	(161,389,386)	(13,023,797)
Deferred tax		
Origination and reversal of temporary differences	62,437,610	(136,382,425)
Valuation Allowance	9,609,845	
Recognition of losses carried forward	(91,926,461)	
Total tax (credit)	**(181,268,127)**	**(149,406,222)**

The charge for the year can be reconciled to the loss per the income statement as follows:

Current tax	2025 NOK	2024 NOK
Operating loss	(45,972,701)	(267,459,329)
ARO accretion & ROU interests	(5,475,942)	(4,105,776)
Permanent Differences	(103,873,810)	67,427,308
TD Special Tax		
Capitalised exploration costs	(50,483,244)	181,927,833
Capitalised producing assets	(25,941,994)	6,685,405
Share option expense	-	(5,105,748)
Depreciation expense	66,077	71,154
Right of use asset	-	(772,966)
ARO asset/liability	6,927,120	4,105,776
TD Corporate Tax		
Finance expenses	-	(34,237,568)
Prepaid financial expense	-	5,799,998
Basis for special tax	(224,754,494)	(17,226,343)
Basis for corporate tax	-	-
Current tax total	(161,373,727)	(12,358,514)
Adjustment from prior year	(15,659)	(655,282)
Total current tax	**(161,389,386)**	**(13,023,798)**

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

12. Income tax (credit)/expense (continued)

Deferred tax	2025 NOK	2024 NOK
Capitalised exploration costs	50,483,244	(181,927,833)
Capitalised producing assets ST	25,941,994	(6,685,405)
Capitalised producing assets CT	11,214,263	
Share options expense	-	5,105,748
Depreciation expense	(66,077)	(71,154)
Right of use asset	-	772,966
ARO Asset/Liability	(6,927,120)	(4,105,776)
Right of use liability interest	-	(254,529)
Prepaid financial expense	-	(5,799,998)
	-	
Basis for Special Tax	69,583,708	(186,911,454)
Basis for Corporate Tax	4,372,732	(6,054,527)
Total deferred tax	53,246,061	(135,534,420)
Adjustment prior year and valuation allowance	9,191,813	(848,004)
Recognition losses carried forward	(91,924,461)	-
Valuation Allowance Trapped Loss	9,609,845	-
Total deferred tax	(19,878,742)	(136,382,424)
Total tax credit	**(181,268,128)**	**(149,406,222)**

The following are the deferred tax liabilities and assets recognised and movements thereon during the current and prior reporting period. These primarily arise on exploration activities and producing assets.

Tax effects of temporary differences and losses carried forward	NOK
Net deferred tax balance on 1 January 2024	(166,706,829)
Deferred tax movements in prior year	
Differences in tax basis for offset of tax losses in Norway	88,019,609
Deferred tax liability at 31 December 2024	(78,687,220)
Deferred tax movements in current year	
Differences in tax basis for offset of tax losses in Norway	(62,437,856)
Pro & Contra settlement	(129,903,597)
Losses carried forward recognized	91,926,461
Valuation Allowance trapped loss	(9,609,845)
Net deferred tax liability at 31 December 2025	**(188,712,057)**

12. Income tax (credit)/expense (continued)

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised. The Company has tax losses that are available indefinitely for offsetting against future taxable profits. During 2025, upon completion of the transaction made acquiring working interest in Verdande and Alve Nord,
the tax losses have been recognised as a deferred tax asset on the basis that there are future taxable profits available within the company which will allow it to be offset. The value of the tax loss carry forward as per 31 December 2025 is NOK 92 million (2024: NOK 82 million).

A Valuation Allowance of NOK 10 million is made for the potential trapped loss in the Corporate Tax for the Decommissioning and Abandonment with no profit to offset the loss. The deferred tax charge represents mainly the tax portion on capitalised intangibles and tangibles being deductible for tax purposes

The difference between the current tax and the current tax refund of NOK 304 million (Note 21) is within the P&C settlement of the transaction done in October 2025, but with effective date for tax 01.01.2025.

	2025 NOK
Basis for Special Tax in P&L	**224,754,494**
Reversal of interim Intangibles	(50,483,244)
Interim tangible	227,076,719
Interim uplift	28,157,513
Cost in interim period	(6,524,066)
Basis for Special Tax 2025	**422,981,417**
Tax Refund 2025	**303,700,658**

The tax refund represents what will be paid out during 2026 according to Norwegian Tax Legislation.

13. Gain/Loss per share

	2025 NOK	2024 NOK
Number of shares		
Weighted average number of ordinary shares for basic loss per share	6,786,434	6,786,433
Gain/(Losses)		
Gains/(Losses) for basic earnings per share being net gain/ loss attributable to equity shareholders of the Company for continued operations	134,766,098	(156,396,451)
Gain/(Loss) per share (expressed in NOK)		
From continuing operations	19.86	(23.05)

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares outstanding during the period.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

14. Exploration, evaluation and intangible assets

	2025 NOK	2024 NOK
Cost		
At 1 January	52,531,509	234,459,342
Additions – net of carry	49,566,769	(3,157,851)
Disposals	(103,014,753)	-
Exploration write-off	916,475	(178,769,982)
Technical Goodwill	45,615,181	-
At 31 December	**45,615,181**	**52,531,509**
Carrying amount		
At 31 December	45,615,181	52,531,509

Details of licence write-offs in the year can be found in Note 9.

15. Business combination

On 9 October 2025 Japex Norge AS completed a swap transaction. The Company signed a SPA with Aker BP ASA 25 July 2025 to acquire 10% interest in Alve Nord development (PL127C) and 3. 5% interest in Verdande Unit development (PL127, PL127DS) in exchange for the Company's present 10% interest in license PL293B and PL293CS (containing Kveikje discovery), 1 5% in license PL1182S (containing Kjøttkake discovery), and 20% in license PL1212S as well as a 14 million USD consideration.

The fair value of the assets and liabilities acquired as of 1.10.2025 are shown below:

	2025 NOK
Assets:	
PP&E assets	395,740,846
Technical goodwill	45,615,181
Tax Receivable	142,326,931
	583,682,958
Liabilities:	
Working capital	(11,234,385)
Deferred Tax Liability	(129.887,426)
	(141,121,812)
Profit and loss:	
Gain on Assets	(139,652,151)
Financial effects in connection to swapped Assets	2,122,568
	(137,529,583)
Total consideration	**305,031,564**

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

15. Business combination (continued)

This realization of the underlying values in the exploration assets in the transaction has created a gain in the accounts reinvested in working interest in Alve Nord and Verdande

	2025
	NOK
NBV Kjøttkake, Kveikje & Magnolia 01.01.2026	(11,556,932)
Fair Value Verdande and Alve Nord	296,331,520
Consideration	(145,947,050)
Working Capital movements interim period	824,613
Gain on assets sale	139,652,151

16. Property, plant and equipment

	D&P assets	**Fixtures and fittings**	**Computers**	**Right of use assets**	**Total**
	NOK	**NOK**	**NOK**	**NOK**	**NOK**
Cost					
At 1 January 2024	0	528,058	355,422	7,319,054	8,202,534
Additions	321,728,659	0	89,902	139,586	321,958,147
At 31 December 2024	321,728,659	528,058	445,324	7,458,640	330,160,681
Additions	742,941,860	0	50,365	8,283,435	751,275,660
At 31 December 2025	1,064,670,519	528,058	495,689	15,742,075	1,081,436,341
Accumulated depreciations and impairment					
At 1 January 2024	0	(190,129)	(189,079)	(3,096,437)	(3,475,645)
Charge for the year	(109,007,126)	(105,612)	(110,339)	(985,369)	(110,208,446)
At 31 December 2024	(109,007,126)	(295,741)	(299,418)	(4,081,806)	(113,684,091)
Depreciation charge for the year	(54,353,740)	(105,616)	(83,585)	(1,841,908)	(56,384,849)
Impairment charge for the year *	(140,094,059)	-	-	-	(140,094,059)
At 31 December 2025	(303,454,926)	(401,357)	(383,003)	(5,923,717)	(310,162,999)
Carrying amounts					
At 31 December 2025	**761,215,593**	**126,701**	**112,686**	**9,818,362**	**771,273,342**
At 31 December 2024	**212,721,533**	**232,317**	**145,906**	**3,376,837**	**216,476,593**

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

17. Property, plant and equipment (continued)

*During 2025 the Statfjord Satellites fields had reserves write down which prompted a full impairment review and a subsequent impairment charge. The impairment test was done using a discount rate of 6 %.

Depreciation is recognised to write off the cost or valuation of assets less their residual values over the lives on the follow bases:

Producing assets	Unit of production basis
Fixtures and fittings	5 years (20% straight line)
Computers	3 years (33.33% straight line)

18. Cash and cash equivalents

	2025 NOK	2024 NOK
Current account	-	6,838
NOK account	44,185,020	37,402,311
Restricted funds related to employee tax	3,247,122	2,757,774
SR bank	3,294,417	697,380
Euro account	9,381,435	1,168
USD account	213,032,517	4,123,225
GBP account	8,762,434	1,186,752
NOK account 2	-	1,251,146
Deposit accounts	1,495,351	50,172
	283,398,297	**47,476,766**

19. Inventories

	2025 NOK	2024 NOK
Materials and supplies	25,215,569	880,217

Closing inventories are equal to their net realisable value.

20. Trade and other receivables

	2025 NOK	2024 NOK
Trade receivables	4,438,629	16,098,235
Receivable from parent Company	48,163	-
VAT recoverable	1,203,672	4,760,921
Overcall (JV)	44,958,516	6,882,630
Other receivables	-	1,301,895
Underlift	11,362,651	535,097
Prepayments	27,650,163	2,972,603
	89,661,794	**32,551,381**

The directors consider that the carrying amount of trade and other receivables approximates to their fair value.

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

21. Current tax receivable

	2025 NOK	2024 NOK
Current tax receivables	303,700,658	11,525,926

22. Trade and other payables and financial liabilities

	2025 NOK	2024 NOK
Current payables and current financial liabilities		
Trade payables	(58,353,453)	(7,739,154)
Payables to JV parents	-	(964,066)
Payable to parent company	(670,426)	-
Accruals	(4,397,358)	(7,060,836)
Accruals (JV)	(38,313,032)	(5,658,847)
Social security and other taxation	(4,821,633)	(3,493,373)
Other payables	-	(22,807)
Undercall (JV)	(9,806,691)	(2,665,858)
Overlift	-	(4,402,786)
Trade and other payables	**(116,362,592)**	**(32,007,727)**

The directors consider that the carrying amount of trade and other payables approximates to their fair value.

23. Lease liabilities

The Company has a lease for its Stavanger office which was signed in September 2021. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying value of lease liabilities and the movements.

	2025 NOK	2024 NOK
At 1 January	3,376,837	4,741,054
Additions	8,235,033	277,258
Interest	151,667	254,529
Payments made	(1,945,176)	(1,896,004)
At 31 December	**9,818,361**	**3,376,837**
Within one year	1,949,170	1,793,509
In two to five years	7,869,192	1,583,328
	9,818,361	**3,376,837**

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

24. Provisions

	2025 NOK	2024 NOK
At 1 January	83,896,698	-
Additions	61,470,815	72,913,345
Unwinding of discount (note 11)	5,323,907	4,105,771
Changes in estimates	16,298,556	6,877,582
Deferred consideration payment	(9,419,154)	
At 31 December	157,570,822	83,896,698

The decommissioning provisions brought forward relate to the two Statfjord Satellite licenses purchases in 2024. The additions for the year relate to the decommissioning provision for Alve Nord and Verdande purchased during 2025.
The economic life of these assets, and the subsequent timing of the decommissioning liabilities, are dependent on many factors, including decommissioning legislation, commodity prices and future production profiles. The cost estimates are also subject to inflationary assumptions of 3% (2024: 3%) and discount rate assumptions of 4.5% (2024: 5%).
The change in estimate in the year reflects an increase in the underlying decommissioning cost assumptions for both Sygna and Statfjord Øst assets and a longer decommissioning period for Statfjord Øst.

25. Share Capital

	2025 Number	2024 Number	2025 NOK	2024 NOK
Ordinary share capital				
Issued and fully paid				
Shares at NOK 1 each	6,786,435	6,786,433	6,786,435	6,786,433

26. Share premium account

	2025 NOK	2024 NOK
At 1 January	673,983,986	522,119,744
Issues of new shares	748,236,998	151,864,242
Auditors' attestation	(76,000)	-
At 31 December	**1,422,144,984**	**673,983,986**

27. Financial risk management

The Company is exposed to financial risks through its various business activities. In particular, changes in interest rates and exchange rates can influence the capital and financial situation of the Company. In addition, the Company is subject to credit risks.

The Company has adopted internal guidelines, which concern risk control processes, and which regulate the use of financial instruments and thus provide a clear separation of the roles relating to operational financial activities, their implementation and accounting, and the auditing of financial instruments. The guidelines on which the Company's risk management processes are based are designed to ensure that the risks are identified and analysed across the Company. They also aim for a suitable limitation and control of the risks involved, as well as their monitoring.

26 Financial risk management (continued)

The Company controls and monitors these risks primarily through its operational business and financing activities.

Credit Risks
The credit risk describes the risk from an economic loss that arises because a contracting party fails to fulfil their contractual payment obligations. The credit risk includes both the immediate default risk and the risk of credit deterioration, connected with the risk of the concentration of individual risks. For the Company, credit and default risks are concentrated in the financial institutions in which it places cash deposits.
The Company's policy is to place its cash with banks with an appropriate credit rating in accordance with the Company's Treasury Risk Management Policy.

Notwithstanding existing collateral, the amount of financial assets indicates the maximum default risk in the event that counterparties are unable to meet their contractual payment obligations. The maximum credit default risk amounted to NOK 287,836,925 (2024: NOK 63,575,001) at the balance sheet date, of which NOK 283,398,297 (2024: NOK 47,476,766) was cash on deposit at banks.

Liquidity Risks
Liquidity risk is defined as the risk that a company may not be able to fulfil its financial obligations. The Company manages its liquidity by maintaining cash and cash equivalents sufficient to meet its expected cash requirements.

At 31 December 2025, the Company had cash on deposit of NOK 283,398,297 (2024: NOK 47,476,766).

Market Risks
Interest Rate Risks
Interest rate risks exist due to potential changes in market interest rates and can lead to a change in the fair value of fixed-interest bearing instruments, and to fluctuations in interest payment for variable interest rate financial instruments.

At the end of 2025 and 2024 the Company had no fixed-interest bearing instruments.
The Company is exposed to interest rate risks on cash held on deposit at banks and on the tax refund. Interest income for the year to 31 December 2025 was NOK 6,577,463 (2024: 15,396,531). These bank accounts are maintained for liquidity rather than investment, and the interest rate risk on deposits is not considered material to the Company.

Currency risks
The Company operates in Norway, incurs expenses in Sterling, Euros, United States dollars, Japanese Yen and Norwegian kroner ("NOK"), and holds cash in Sterling, Euros, USD and NOK. The Company incurs some expenditure in foreign currency when the investment policy requires services to be obtained overseas. The foreign exchange risk on these costs is not considered material to the Company.

The Company's exposure to foreign currency risk at the end of the reporting period is summarised below. All amounts are presented in NOK equivalent.

	2025	**2024**
Cash and cash equivalents	231,176,386	5,311,145
Trade and other receivables	46,486,771	9,508,933
Trade and other payables including borrowings	(21,524,921)	(13,678,963)
Net exposure	**299,188,078**	**1,141,114**

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

26 Financial risk management

Sensitivity analysis
As shown in the table above, the Company is exposed to changes in exchange rates through its balances held in non-NOK. The table below shows the impact in NOK on pre-tax profit and loss of a 10% increase/decrease in the exchange rates, holding all other variables constant.

	2025	2024
Exchange rate increases/decrease by 10%	28,594,065	114,111

Geopolitical risks
As a non-operated E&P company on the NCS, geopolitical risks have the recent years mainly been indirect rather than operational. However, based on ongoing geopolitical conflicts such as the Ukraine war, the Middle East tensions and now the war between Israel/USA and Iran, recent geopolitical risks have increased the strategic importance of the NCS, particularly as Norway has become a key gas supplier to Europe. This has led to higher security concerns, including risks of sabotage, cyberattacks, and espionage targeting offshore infrastructure. E&P companies in Norway therefore face stricter security requirements and higher operational costs. Geopolitical tensions have also caused volatility in oil and gas prices, influencing revenues and investment decisions. In addition, global instability has disrupted supply chains, increasing equipment costs and project delays. Overall, operators on the NCS must manage greater uncertainty in both operational security and market conditions.

28. Retirement benefit schemes

	2025 NOK	2024 NOK
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,365,521	2,302,142

29. Contingent liability

Under the terms of a sale and purchase agreement between Aker BP ASA and Japex Norge AS, the Company has in 2026 a potential liability to pay a contingent oil price consideration and a contingent gas price consideration.

30. Subsequent Events

Rewarded APA licenses
The company participated in the APA (Awards of Pre-defined Areas) round in 2025 and was on 14 January 2026 awarded Two exploration licenses: PL1289S in the northern North Sea and PL 1310 in the northern Norwegian Sea.

License Name	**PL1289S**		**PL1310**	
License Location	Northern North Sea		Northern Norwegian Sea	
License Area	Approximately 392 square km		Approximately 504 square km	
Partners and equity	Equinor Energy AS (Operator)	40%	Vår Energy ASA (Operator)	70%
	Harbour Energy Norge AS	30%	JAPEX Norge AS	30%
	JAPEX Norge AS	30%		

JAPEX NORGE AS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

31. Related party transactions

	Income	Expense	Closing asset	Closing liability
JAPEX Petroleum Exploration [1]	48,163	(9,945,204)	48,163	(670,426)
Directors[2]	-	4,255,946	-	-
Non-executive directors[3]	-	280,000	-	-

1. Income and expense related to the recharge of shared services between the Company and its parent as a fully owned subsidiary.
2. Salary payments to the Director of the Company.
3. Expense relates to the salary payments to the non-executive director.

32. Controlling party

The ultimate parent company throughout 2025 was Japex Petroleum Exploration Co ("JAPEX"), and the Company is a fully consolidated subsidiary of JAPEX.

A copy of Japan Petroleum Exploration Co accounts is available at News: IR (japex.co.jp)

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Statsautoriserte revisorer
Ernst & Young AS

Vassbotnen 11a Forus, 4313 Sandnes
Postboks 8015, 4068 Stavanger

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 Japex Norge AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Japex Norge AS (the Company), which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income/loss, 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, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 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 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.

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

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enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Stavanger, 26 March 2026
ERNST & YOUNG AS

Shape the future with confidence

The auditor's report is signed electronically

Tor Inge Skjellevik
State Authorised Public Accountant (Norway)

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

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

Tor Inge Skjellevik
Statsautorisert revisor
På vegne av: Ernst & Young AS
Serienummer: bankid.no no_bankid:9578-5997-4-259359
IP: 147.161.xxx.xxx
2026-03-26 12:28:55 UTC

QES

bankID

Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
12.04.2021		Robin Ingebrigtsen
800 80 000	Din/Deres referanse	Telefon
Skatteetaten.no		99778267
Org.nr	Vår referanse	Postadresse
974761076	2021/5273987	Postboks 9200 Grønland 0134 OSLO

LONGBOAT ENERGY NORGE AS
Postboks 231
4001 STAVANGER

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Longboat Energy Norge AS' (org.nr. 924 186 720) søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

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
Fra søknaden siteres:

> *Longboat Energy Norge AS er et heleid datterselskap av det engelske selskapet Longboat Energy PLC. Selskapet er nystiftet i desember 2019 med formål om å starte letearbeid etter olje og gass hovedsakelig på norsk og britisk sokkel. Virksomheten er internasjonal og alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk som arbeidsspråk. I tillegg er en betydelig majoritet av eiere og styremedlemmer engelske.*
>
> *I oljebransjen er engelsk det klart dominerende språket og en norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.*
>
> *Med bakgrunn i det ovenstående sender vi derfor inn søknad om dispensasjon.*

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, kunder 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at kommunikasjon med de fleste av selskapets aktører skjer på engelsk. Selskapets eiere er i hovedsak engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Magrit Kilen Stoebner
underdirektør
Innsats, storbedrift
Skatteetaten

Robin Ingebrigtsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.