Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	913 905 881
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	DNO NORGE AS
Forretningsadresse:	Badehusgata 37 4014 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

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:	Halvor Engebretsen
Dato for fastsettelse av årsregnskapet:	26.06.2025

Grunnlag for avgivelse

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

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 23.07.2025

Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenues	3	4 208 880 000	4 273 428 000
Net gain on disposal	9	22 120 000	3 201 000
Sum inntekter		**4 231 000 000**	**4 276 629 000**
Kostnader			
Cost of goods sold	4,9	1 867 433 000	1 486 454 000
Payroll expenses	6	155 977 000	139 551 000
Depreciation non oil & gas assets	9	19 496 000	19 034 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	8,9	100 125 000	285 096 000
General and administrative expenses	7	96 213 000	59 676 000
Exploration expenses	5,8	848 024 000	396 570 000
Sum kostnader		**3 087 268 000**	**2 386 381 000**
Driftsresultat		**1 143 732 000**	**1 890 248 000**
Finansinntekter og finanskostnader			
Financial income	10	232 389 000	144 402 000
Sum finansinntekter		**232 389 000**	**144 402 000**
Financial expenses	10	189 767 000	173 438 000
Sum finanskostnader		**189 767 000**	**173 438 000**
Netto finans		**42 622 000**	**-29 036 000**
Resultat før skattekostnad		**1 186 354 000**	**1 861 212 000**
Tax income/-expense	11	792 970 000	1 468 163 000
Årsresultat		**393 384 000**	**393 049 000**
Overføringer og disponeringer			
Konsernbidrag		87 848 000	85 874 000
Udekket tap		393 384 000	393 049 000
Distributed group contribution		87 848 000	85 874 000
Sum overføringer og disponeringer		**393 384 000**	**393 049 000**

Resultatregnskap

Beløp i: NOK	Note	2024	2023

Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Goodwill	8	861 463 000	369 314 000
E&A and other intangible assets	8	2 442 269 000	1 896 356 000
Sum immaterielle eiendeler		**3 303 732 000**	**2 265 670 000**
Varige driftsmidler			
Property, plant and equipment	9	4 963 438 000	3 238 100 000
Sum varige driftsmidler		**4 963 438 000**	**3 238 100 000**
Sum anleggsmidler		**8 267 170 000**	**5 503 770 000**
Omløpsmidler			
Varer			
Fordringer			
Trade receivables and other current assets	12	2 187 544 000	1 159 699 000
Tax receivables	11	279 660 000	0
Sum fordringer		**2 467 204 000**	**1 159 699 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equiavlents	13	815 787 000	1 881 926 000
Sum bankinnskudd, kontanter og lignende		**815 787 000**	**1 881 926 000**
Sum omløpsmidler		**3 282 991 000**	**3 041 625 000**
SUM EIENDELER		**11 550 161 000**	**8 545 395 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	14	152 702 000	152 702 000
Overkurs		5 943 706 000	5 943 706 000

Balanse

Beløp i: NOK	Note	2024	2023
Sum innskutt egenkapital		**6 096 408 000**	**6 096 408 000**
Opptjent egenkapital			
Retained earnings		-3 486 273 000	-3 791 809 000
Sum opptjent egenkapital		**-3 486 273 000**	**-3 791 809 000**
Sum egenkapital		**2 610 135 000**	**2 304 599 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	11	2 250 426 000	1 236 232 000
Lease liabilities	17	15 912 000	28 584 000
Provisions for other liabilities and charges	17	3 997 885 000	2 986 275 000
Sum avsetninger for forpliktelser		**6 264 223 000**	**4 251 091 000**
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	15	567 670 000	
Langsiktig konserngjeld	18	222 720 000	110 095 000
Sum annen langsiktig gjeld		**790 390 000**	**110 095 000**
Sum langsiktig gjeld		**7 054 613 000**	**4 361 186 000**
Kortsiktig gjeld			
Interest bearing liabilities to credit institutions	15		356 034 000
Income tax payable	11	0	70 564 000
Trade payables and other current liabilities	16	1 729 154 000	1 398 820 000
Current lease liabilities	17	16 015 000	16 352 000
Procisions for other liabilities and charges	17	140 244 000	37 840 000
Sum kortsiktig gjeld		**1 885 413 000**	**1 879 610 000**
Sum gjeld		**8 940 026 000**	**6 240 796 000**
SUM EGENKAPITAL OG GJELD		**11 550 161 000**	**8 545 395 000**

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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

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Medlemmer av Den norske Revisorforening

To the Annual Shareholders' Meeting of DNO Norge AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of DNO Norge AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, 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 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company 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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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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, 27 June 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Reidun Marie Mjølsnes
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."

Mjølsnes, Reidun Marie Høiland
Statsautorisert revisor
På vegne av: Ernst & Young AS
Serienummer: no_bankid:9578-5997-4-42260
IP: 77.16.xxx.xxx
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DNO NORGE AS

ANNUAL REPORT 2024

Directors' Report

Financial Statements
- Statement of Comprehensive income
- Statement of Financial Position
- Statement of Cash Flows
- Statement of Changes in Equity
- Notes

DIRECTORS' REPORT

THE BUSINESS

DNO Norge AS ("the Company") is engaged in oil and gas exploration, development and production activities on the Norwegian Continental Shelf (NCS). DNO Norge AS is a subsidiary of DNO North Sea plc with ultimate parent being DNO ASA.

GOING CONCERN

Pursuant to the Norwegian Accounting Act Section §3-3a, the Board of Directors ("the Board") confirms that the requirements of the going concern assumption are met and that the annual accounts have been prepared on that basis.

OPERATIONAL REVIEW

Activity overview

The Company has diversified production across 12 fields in the NCS. During 2024, the Company acquired interests in four producing fields and one development asset in the Norne area offshore Norway. As part of the acquisition, the Company sold its ownership interest in the Ringhorn East field. The operated Trym field restarted production towards the end of 2024.

Meanwhile, the Company is taking part in four ongoing North Sea field development projects expected to come online between 2025 and 2028 that represent proven and probable reserves of 26.2 MMboe net to the Company. These are Andvare (32 percent), Bestla (39.2 percent), Verdande (10.5 percent) and Berling (30 percent). In addition, the Company continued to mature other discoveries towards project sanction.

The Company drilled three exploration wells in the North Sea in 2024, namely Othello (50 percent and operator), Cuvette (20 percent) and Ringand (20 percent). All three were discoveries. The play-opening Othello light oil discovery was Norway's second largest find in 2024, significantly derisking nearby prospects in the Company's exploration portfolio. In addition, the Company drilled two combined exploration and appraisal wells in 2024 to assess the resource potential surrounding the 2023 Heisenberg discovery (spanning two licenses in which the Company holds 49 and 20 percent, respectively). While Heisenberg was successfully delineated, the additional exploration targets (Hummer and Angel) did not deliver the desired results.

Production

The Company achieved a net production of 13 057 barrels of oil equivalent per day (boepd) during 2024 (2023: 13 926 boepd).

Reserves

At yearend 2024, the Company held 85 licenses in Norway in various stages of exploration, development and production. Across its Norway portfolio and on a net basis, the Company`s 1P reserves totalled 27.7 MMboe, 2P reserves stood at 44.9 MMboe, 3P reserves totalled 66.0 MMboe and 2C resources stood at 144.0 MMboe. In 2024, reserves in Norway increased with the sanctioning of the Bestla field development and the acquisition of Norne area assets.

At yearend 2023, the Company held 73 licenses in Norway in various stages of exploration, development and production. Across its Norway portfolio and on a net basis, the Company's 1P reserves totalled 23.7 MMboe, 2P reserves stood at 34.8 MMboe, 3P reserves totalled 49.0 MMboe and 2C resources stood at 132 MMboe.

FINANCIAL REVIEW

Total revenues in 2024 stood at NOK 4 208.9 million, compared to NOK 4 273.4 million in 2023. The decrease in revenues were driven by decrease in realized commodity prices, partially offset by increase in lifted volumes.

In 2024, the total cost of goods sold was NOK 1 867.4 million, compared to NOK 1 486.5 million in 2023. The increase in cost of goods sold was primarily related to higher depletion and increase in tariff and transportation expense.

The Company had an operating profit of NOK 1 143.7 million in 2024, compared to NOK 1 890.2 million in 2023. The decrease in operating profit in 2024 was primarily driven by increase in operating expense and exploration expense.

The Company's total pre-tax impairment charges stood at NOK 100.1 million in 2024 (NOK 285.1 million in 2023). The 2024 impairment was mainly related to the Ula area.

Total expensed exploration costs for the year were NOK 848.0 million, compared to NOK 396.6 million in 2023. The increase in expensed exploration costs was driven primarily by higher expensed drilling activity and seismic purchases.

Net financial expenses for 2024 stood at NOK 42.6 million, compared to NOK 29.0 million in 2023. The increase is mainly driven by increase in other financial expense.

Total acquisition and development, exploration and decommissioning spend stood at NOK 3 002.0 million in 2024, compared to NOK 2 187.1 million in 2023. The increase mainly relates to higher exploration drilling spend in 2024 and cash outflow tied to the Norne acquisition.

Net financing inflow stood at NOK 148.3 million in 2024, compared to net finance spend of NOK 16.9 million in 2023. The increase in financing inflow relates to increase in loans under the reserve-based lending facility.

At yearend 2024, total assets stood at NOK 11 550.1 million, compared to NOK 8 545.4 million at yearend 2023. The increase in total assets was mainly due to investments in tangible and intangible oil & gas assets in 2024, including the Norne acquisition.

The Company ended the year with NOK 815.8 million in cash and NOK 790.4 million in net interest-bearing debt, compared to NOK 1 881.9 million and NOK 466.1 million at yearend 2023, respectively.

At yearend 2024, total liabilities stood at NOK 8 940.0 million, compared to NOK 6 240.8 million at yearend 2023. The increase in liabilities was mainly due to increase in asset retirement obligation and deferred tax liability. The equity ratio stood at 22.6 percent at yearend 2024, compared to 27.0 percent in 2023.

In 2024, the net cash and cash equivalents decreased by NOK 1 066.1 million. The decrease was primarily due to investment spend, partly offset by cashflow from financing activities.

The tax expense for the year amounted to NOK 793.0 million (NOK 1 468.2 million in 2023) and the net profit for the year amounted to NOK 393.4 million (NOK 393.0 million in 2023).

The Board proposes that the net profit for the year is transferred to other equity.

RESEARCH AND DEVELOPMENT

The Company's target is to create value through generation of prospects, exploration, development and production on the Norwegian Continental Shelf. To achieve this target, the Company uses high technology and software and has set a goal to be a leading company in several key technologies. Technology within exploration, drilling, development and production undergoes a continuous development process, and the Company participates in several technology projects in connection with license work. The Company also participates in various research and development projects with both research institutions and universities ranging from short to long term projects.

HEALTH, SAFETY AND ENVIRONMENT

In activities where the Company acted as operator, no severe personal injuries, high-potential incidents, or events impacting personnel, the external environment, or assets occurred in 2024. The majority of the Company's activities are undertaken in licenses where other companies are operators, with the Company as a non-operating partner. To ensure safe operations and to comply with the regulations, the Company follows up on its operators, contractors and partners through our audit, review and verification activities. These activities are based on risk evaluations. There have been no serious incidents affecting personnel on partner operated activity during 2024.

To ensure continuous improvement, experiences from our operated and non-operated activities are systematically captured, as required, by our integrated Environment, Health and Safety Business Management System ('BMS') and implemented in work processes and procedures. An internal training program ensures familiarity with the BMS. The BMS is consistent with the internationally recognized requirements for Quality, Health, Safety and Environmental management (ISO 9001, OHSAS 18001 and ISO 14001). The BMS has been successfully verified for compliance with the OSPAR Recommendation 2003/5 (based on ISO14001:2015) for Environmental Management over several years, last in spring 2023. DNO is regularly audited and during 2024 one audit was completed by the Norwegian Safety Authorities (Havindustritilsynet) where no no-conformities were revealed.

The Norwegian Transparency Act, which entered into force in July 2022, requires the Company to report on how it ensures compliance with fundamental human rights and decent working conditions in its operations, in its supply chain and with its business partners. The ultimate parent company DNO ASA, on behalf of all subsidiaries in the Group, published and made available its Norwegian Transparency Act Statement 2023, approved by the DNO ASA Board of Directors on 7 May 2024.

OCCUPATIONAL HEALTH

The Company operates from modern offices in Stavanger. The Company has a Working Environment Committee (WEC) as required under the Norwegian Working Environment Act. The committee has an important role in monitoring, making suggestions to management for improvements in the working environment and ensuring that the Company complies with laws and regulations in this area. The Company is committed to maintaining an open and constructive dialogue with the employee representatives and arranged WEC meetings on a regular basis throughout the year. In the Board of Directors' view, the working environment in the Company during 2024 was good as confirmed through WEC meetings and employee satisfaction surveys.

As part of the employment benefits, the company offers schemes for pension savings and insurance. The Company offers private medical coverage for employees, which includes counseling for work / life issues such as stress.

Workforce diversity
At the end of 2024, the Company employed 122 staff (2023: 112), of which 44 percent are women and 56 percent men. Sick leave was 4.09 percent during 2024 (2023: 3.1 percent). One female employee has worked part time during 2024. A total of 13 employees were on parental leave. Women had an average of 17 weeks of parental leave and men had an average of 8 weeks of parental leave.

Salary mapping of 2024 average women's salaries and bonuses compared to those of their male colleagues in the same job category is shown below in descending order of seniority:

Women's compensation as percentage of those of men's:	Base Salary	Bonus
Level 1	104%	105%
Level 2	83%	76%
All employees	88%	82%

Men and women with the same level of jobs, with equal professional experience and who perform equally well receive the same pay. The complexity of the job, discipline area and work experience affect the pay level of individual employees.

The Company aims to be a workplace where there is full equality between women and men and has incorporated a policy that aims to ensure that there is no discrimination based on gender. The Company is actively working to prevent discrimination due to disability, ethnicity, national origin, religion or belief, with new initiatives to be considered in 2025.

RISK AND UNCERTAINTY

Aside from the generic risks that face all businesses, the Company's business, financial condition or results of operations could be materially and adversely affected by any of the risks described below. These risks should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties and additional risks and uncertainties that are not presently known to the directors, or which they currently deem immaterial, may also have an adverse effect on the Company's operating results, financial condition and prospects. Whilst the risks below have been laid out in order of priority, it should be stressed that in so doing both magnitude and probability have been combined, to assess the scale, which is imperfect e.g. the probability of a major uninsured event is low but the consequences potentially very significant.

Financial risk
Risks related to oil and gas prices, interest rates and currency exchange rates, liquidity risk, concentration risk and credit risk constitute financial risks for the Company. In order to minimize any potentially adverse effects from such risks, financial risk is managed by the finance function under policies approved by the Board of Directors. For more information about how the Company manage financial risk, see Note 20 in the annual accounts.

Operational risk
The Company is exposed to operational risks across its portfolio. Operational risk applies to all stages of upstream operations, including exploration, development and production. Failure to manage operations efficiently can manifest itself in project delays, cost overruns, higher-than-estimated operating costs and lower-than-expected oil and gas production and/or reserves. Exploration activities are capital intensive and involve a high degree of geological risk. Sustained exploration failure can affect the future growth and upside potential of the Company.

The ability to effectively manage and deliver value from exploration, development and production activities is dependent on the quality of the Company's staff and contractors. Inefficiency or interruption to our supply chain or the unwillingness of service contractors to engage in our areas of operation may also negatively affect operations.

Environmental risk
Oil and gas exploration and production, by its nature, involves exposure to potentially hazardous materials. The loss of containment of hydrocarbons or other dangerous substances could represent material risks. Through operational controls, environmental impact assessments, asset integrity protocols and management systems related to health, safety and the environment, the Company aim to mitigate hazards with a potentially adverse impact on people, the environment, our assets, our profitability and our reputation.

Climate change
The Company's operations may be exposed to physical climate risks including extreme weather leading to interruptions to production processes, infrastructure failures and potential accidents. To understand and mitigate these risks, the Company has integrated climate-related physical risk assessment in its ongoing company-wide risk assessment process. This is reviewed at least

quarterly by the senior management and the Board of Directors. While the Company continues to refine its approach, these assessments help inform risk management strategies, operational preparedness and mitigation measures to ensure business continuity and asset resilience. Time horizons considered in these assessments are short-term (less than a year), medium term (one to five years) and long term (five to 30 years). The Company has not used any specific global climate change scenarios for these risks assessments.

Directors' and officers' insurance
The Company has directors' and officers' liability insurance which covers the cost of compensation claims made against the Company's directors and key managers (officers) for alleged wrongful acts.

EVENTS SINCE THE BALANCE SHEET DATE

DNO receives 13 awards in Norway's APA licensing round
On 14 January 2025, the Company was awarded participation in 13 exploration licenses, of which four are operatorships, under Norway's APA 2024 licensing round. Of the 13 new licenses, ten are in the North Sea and three in the Norwegian Sea.

Discovery in the Mistral prospect
On 5 March 2025 DNO North Sea's parent company, DNO ASA, announced a gas/condensate discovery on the Mistral prospect in the Norwegian Sea license PL1119 in which the Company recently acquired a 10 percent interest. Preliminary estimates of gross recoverable resources encountered are in the range of 19-44 million barrels of oil equivalent. In addition to DNO, license partners include Equinor Energy AS (50 percent and operator), OKEA ASA and Pandion Energy AS (20 percent each).

Acquisition of Sval Energi Group AS
On 7 March 2025 DNO North Sea's parent company, DNO ASA, announced it has reached agreement to acquire 100 percent of the shares of Sval Energi Group AS from HitecVision for a cash consideration of USD 450 million based on an enterprise value of USD 1.6 billion. The transaction includes non-operated interests in 16 producing fields offshore Norway, with the largest assets being Nova, Martin Linge, Kvitebjørn, Eldfisk, Maria, Symra and Ekofisk. The acquisition was completed on the 12th of June and was financed with existing cash and other debt financing facilities available to DNO.

Discovery in the Kjøttkake prospect
On 26 March 2025 DNO North Sea's parent company, DNO ASA, announced a discovery in Northern North Sea license PL1182 S in which the Company holds a 40 percent operated interest. The well was drilled in the first quarter of 2025. Preliminary estimates of gross recoverable resources encountered are in the range of 39 to 75 million barrels of oil equivalent (MMboe). License partners include Aker BP ASA (30 percent), Concedo AS and Japex Norge AS (15 percent each).

Dry well in the Horatio prospect
On 26 March 2025, a dry well was announced on the Horatio prospect in the Northern North Sea license PL1109 in which the DNO North Sea holds a 20 percent operated interest. The well was drilled in the first quarter of 2025.

Stavanger, 26 June 2025

Bijan Mossavar-Rahmani
Chairman of the Board

Christopher Thomas Hyde Spencer
Director

Linn Hoel
Director

Signed by:
Halvor Engebretsen
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Halvor Engebretsen
Managing Director

Docusign Envelope ID: 67C49101-2390-43D8-B862-ADE772410F31

Statements of comprehensive income

1 January – 31 December

NOK 000	Note	2024	2023
Revenues	3	4,208,880	4,273,428
Cost of goods sold	4,9	-1,867,433	-1,486,454
Gross profit		**2,341,447**	**2,786,974**
Exploration expenses	5,8	-848,024	-396,570
Payroll expenses	6	-155,977	-139,551
General and administrative expenses	7	-96,212	-59,676
Depreciation non oil & gas assets	9	-19,496	-19,034
Impairment of oil and gas assets	8,9	-100,125	-285,096
Net gain on disposal	9	22,120	3,201
Operating profit/-loss		**1,143,732**	**1,890,248**
Financial income	10	232,389	144,402
Financial expenses	10	-189,767	-173,438
Profit/-loss before income tax		**1,186,354**	**1,861,212**
Tax income/-expense	11	-792,970	-1,468,163
Net profit/-loss		**393,384**	**393,049**
Other comprehensive income, net of tax		-	-
Total comprehensive income, net of tax		**393,384**	**393,049**

DNO

Statements of financial position

Years ended 31 December

NOK 000	Note	2024	2023
ASSETS			
Non-current assets			
Goodwill	8	861 463	369 314
E&A and other Intangible assets	8	2 442 269	1 896 356
Property, plant and equipment	9	4 963 438	3 238 100
Total non-current assets		**8 267 171**	**5 503 770**
Current assets			
Trade receivables and other current assets	12	2 187 542	1 159 699
Tax receivables	11	279 660	-
Cash and cash equivalents	13	815 787	1 881 926
Total current assets		**3 282 990**	**3 041 625**
TOTAL ASSETS		**11 550 161**	**8 545 395**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	152 702	152 702
Other reserves		5 943 706	5 943 706
Retained earnings		- 3 486 273	- 3 791 809
Total equity		**2 610 135**	**2 304 599**
Non-current liabilities			
Deferred tax liabilities	11	2 250 426	1 236 232
Interest-bearing liabilities to group companies	18	222 720	110 095
Interest-bearing liabilities to credit institution	15	567 670	-
Lease liabilities	18	15 913	28 584
Provisions for other liabilities and charges	18	3 997 885	2 986 275
Total non-current liabilities		**7 054 613**	**4 361 187**
Current liabilities			
Trade payables and other current liabilities	16	1 729 154	1 398 820
Income taxes payable	11	-	70 564
Interest-bearing liabilities to credit institution	15	-	356 034
Current lease liabilities	18	16 015	16 352
Provisions for other liabilities and charges	18	140 244	37 840
Total current liabilities		**1 885 412**	**1 879 609**
Total liabilities		**8 940 025**	**6 240 796**
TOTAL EQUITY AND LIABILITIES		**11 550 161**	**8 545 395**

Stavanger, 26 June 2025

Bijan Mossavar-Rahmani
Chairman of the Board

Christopher Thomas Hyde Spencer
Director

Signed by:
Halvor Engebretsen
52A55314132D413...

Linn Hoel
Director

Halvor Engebretsen
Managing Director

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Docusign Envelope ID: 67C49101-2390-43D8-B862-ADE772410F31

Statement of cashflows
1 January – 31 December

NOK 000	Note	2024	2023
Operating activities			
Profit/(loss) before tax for the year		1,186,354	1,861,212
Adjustments to add/-deduct non-cash items:			
Exploration cost capitalized in previous years carried to cost	5	406,979	67,073
Depreciation, depletion and amortization	9	562,747	420,606
Tax Paid-/refunded	11	-8,946	-1,211,843
Impairment of oil & gas assets	8,9	100,125	285,096
Other		226,301	143,261
Changes in working capital items and provisions:			
Changes in provisions		8,584	776
Changes in trade receivables		-1,027,844	60,617
Changes in trade payables		330,334	334,255
Changes in other current balance sheet items		2,939	-23,375
Cash generated from operations		**1,787,574**	**1,937,677**
Investing activities			
Purchases of intangible assets	8	-952,892	-1,210,474
Purchases of tangible assets	9	-1,627,664	-976,665
Payments for decommissioning	18	-27,355	-12
Payments for licence transactions	21	-394,113	0
Net cash from/-used in investing activities		**-3,002,022**	**-2,187,149**
Financing activities			
Proceeds from borrowings	15	165,885	-
Dividend	14	-	-
Payments of lease liabilities	18	-17,576	-16,945
Net cash from/-used in financing activities		**148,309**	**-16,945**
Net increase/-decrease in cash and cash equivalents		-1,066,140	-266,417
Cash and cash equivalents at beginning of the period		1,881,926	2,148,342
Cash and cash equivalents at end of the period	13	**815,787**	**1,881,926**
Of which restricted cash	13	176,886	123,409

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Docusign Envelope ID: 67C49101-2390-43D8-B862-ADE772410F31

Statements of changes in equity

NOK 000	Share capital	Other reserves	Other equity	Total equity
Total equity as of 1 January 2023	**152,702**	**5,943,706**	**-4,098,985**	**1,997,423**
Profit for the period	-	-	393,049	393,049
Total comprehensive income for the year	-	-	**393,049**	**393,049**
Distributed group contribution	-	-	-85,874	-85,874
Transactions with shareholders	-	-	**- 85,874**	**-85,874**
Total equity as of 31 December 2023	**152,702**	**5,943,706**	**-3,791,809**	**2,304,599**

NOK 000	Share capital	Other reserves	Other equity	Total equity
Total equity as of 1 January 2024	**152,702**	**5,943,706**	**-3,791,809**	**2,304,599**
Profit for the period	-	-	393,384	393,384
Total comprehensive income for the year	-	-	**393,384**	**393,384**
Distributed group contribution	-	-	-87,848	-87,848
Transactions with shareholders	-	-	**-87,848**	**-87,848**
Total equity as of 31 December 2024	**152,702**	**5,943,706**	**- 3,486,273**	**2,610,135**

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Note 1 General Information

The principal activities of the Company are oil and gas exploration, development, and production.

The Company's registered office is located at Badehusgata 37, Stavanger, Norway. The Company is included in the consolidated accounts of DNO ASA. The consolidated annual accounts are published on the Internet page www.dno.no.

Note 2 Summary of accounting policies

■ Statement of compliance

The financial statements of DNO Norge AS for the year ended 31 December 2024 have been prepared in accordance with The Norwegian Accounting Act §3-9 (simplified IFRS). The financial statements were approved by the Board of Directors on 17 June 2025.

■ Basis for preparation

The financial statements have been prepared under the historical cost convention, except for certain fair value adjustments required by those accounting policies. The financial statements are presented in Norwegian Kroner (NOK), and all values are rounded to the nearest thousand (NOK 000) except when otherwise indicated. The financial statements have been prepared based on a going concern assumption.

Due to rounding, the figures in one or more rows or columns included in the financial statements and notes may not add up to the subtotals or totals of that row or column.

■ Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the reporting date. Estimates and assumptions are based on management's best knowledge and historical experience and various other factors that are believed to be reasonable under the circumstances. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the Company's financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Estimates and assumptions

The key assumptions and key sources of estimation uncertainty for the Company are:

- Reserves and resources estimates;
- Asset retirement obligations;
- Purchasing Price Allocation in business combinations;
- Impairment/reversal of impairment of oil and gas assets;
- Impairment of technical goodwill;
- Accounting for exploration costs.

Reserves and resources estimate

The Company's reserves and contingent resources are estimated and classified by the Company in accordance with the rules and guidelines of the Society of Petroleum Engineers (SPE) and are in conformity with requirements from the Oslo Stock Exchange for the reporting of reserves and resources.

The reserves are according to the Annual Statement of Reserves and Resources (ASRR), as published by DNO ASA, dated 2 April 2025. The reported reserves fall within class 1-3 of the Norwegian Offshore Directorate (NOD) classification and 2C resources fall within classes 4-7.

All estimates of reserves and resources involve uncertainty. Figures reported in Note 22 are the estimated proven (1P), proven and probable (2P) and proven, probable and possible (3P) quantities of oil and gas that can be recovered from a field or reservoir given the information available at yearend.

Important factors that could cause actual results to differ from the estimates include, but are not limited to: technical, geological and geotechnical conditions; economic and market conditions; oil and gas prices; changes in government regulations; interest rates; and currency exchange rates. Specific parameters of uncertainty related to the field/reservoir include but are not limited to: reservoir pressure and porosity; recovery factors; water cut development; production decline rates; gas/oil ratios; and oil properties.

Changes in commodity prices and costs may impact economic cut-off and remaining reserves, which may change the timing of assumed decommissioning activities. Future changes to estimated reserves can also have a material effect on depreciation, impairment of oil and gas fields and operating results. The Company may also not be able to commercially develop its contingent resources that are used in impairment assessments or acquisition accounting where the fair value approach is applied.

Asset retirement obligations
The Company has recognized significant provisions relating to the decommissioning of oil and gas assets at the end of the production period. Obligations associated with decommissioning assets are recognized at present value of future expenditures on the date they incur. At the initial recognition of an obligation, the estimated cost is capitalized as property, plant and equipment (PP&E) and depreciated over the useful life of the asset (typically by unit-of-production).

It is difficult to estimate the costs for decommissioning at initial recognition as these estimates are based on currently applicable laws and regulations, and technology. Decommissioning activities will normally take place in the distant future, and the technology, regulatory requirements and related costs may change. The energy transition may bring forward the decommissioning activities and thereby increasing the present value of associated decommissioning provisions. Based on various scenario analysis performed by the Company, management does not expect any reasonable change in the expected timeframe to have a material effect on the Company's decommissioning provisions, assuming cost estimates (i.e., cash flows) remain unchanged. The estimates cover expected removal concepts based on known technology and, in the case of offshore decommissioning, estimated costs of maritime operations, hiring of heavy-lift barges and drilling rigs. As a result, the initial recognition of the liability and the capitalized cost associated with decommissioning obligations, and the subsequent adjustment of these balance sheet items, involve the application of significant judgement. Based on the described uncertainty, there may be significant adjustments in estimates of liabilities that can affect future financial results.

Impairment/reversal of impairment of oil and gas assets
The Company has recognized significant investments in development and production assets (classified under PP&E) and exploration and appraisal assets (classified under intangible assets) in the statements of financial position. Changes in the circumstances or expectations of future performance of an individual asset or a group of assets may be an indicator that the asset is impaired, requiring the carrying amount to be written down to its recoverable amount. Management must determine whether there are circumstances indicating a possible impairment of the Company's oil and gas assets. The estimation of the recoverable amount for the oil and gas assets includes assessments of expected future cash flows and future market conditions, including entitlement production, future oil and gas prices and cost profiles.

Impairments, other than those relating to goodwill, are reversed if the conditions for impairment are no longer present. Evaluating whether an asset is impaired or if an impairment should be reversed requires a high degree of judgment.

Impairment of technical goodwill
Although not an IFRS term, "technical goodwill" is commonly used in the oil and gas industry to describe a category of goodwill arising as an offsetting account to deferred tax recognized in business combinations. The Company has recognized a significant technical goodwill arising from business combinations. There are no specific IFRS guidelines about the allocation of technical goodwill, and the Company has therefore applied the general guidelines for allocating goodwill for the purpose of impairment testing. In general, technical goodwill is allocated to a cash-generating unit (CGU) or group of CGUs that give rise to the technical goodwill, while any residual goodwill may be allocated across all CGUs based on facts and circumstances in the business combination.

Technical goodwill is exposed to impairment testing whenever there is a significant indicator that the CGU (or groups of CGUs) to which it is allocated is impaired. Moreover, goodwill is not depreciated and hence, impairment of technical goodwill is expected on a recurring basis, unless there are positive changes in underlying assumptions that more than offset the production from the CGU (or groups of CGUs).

When performing the impairment test for technical goodwill, deferred tax recognized in relation to the acquired assets in a business combination reduces the net carrying value prior to the impairment charges. When deferred tax from the initial recognition decreases, more goodwill is exposed for impairment. After initial recognition, depreciation of values calculated in the purchase price allocations from business combinations will result in decreased deferred tax liability.

Accounting for exploration costs
The Company's accounting policy is to temporarily capitalize drilling expenditures related to exploration wells, pending an evaluation of potential oil and gas discoveries. If resources are not discovered, or if recovery of the resources is not considered technically or commercially viable, the costs of the exploration wells are expensed in the income statement. Decisions as to whether an exploration well should remain capitalized or expensed during the period may have a material effect on the financial results for the period.

Interest in jointly controlled operations (assets)
A joint arrangement is present when the Company holds a long-term interest which is jointly controlled by the Company and one or more other parties under a contractual arrangement in which decisions about the relevant activities require the unanimous consent of the parties sharing control. Such joint arrangements are classified as either joint operations or joint ventures.

Under IFRS 11 *Joint Arrangements*, a joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities. Oil and gas licenses held by the Company which are within the scope of IFRS 11 have been classified as joint operations. The Company recognizes its investments in joint operations by reporting its share of related revenues, expenses, assets, liabilities and cash flows under the respective items in the Company's financial statements.

For those licenses that are not deemed to be joint arrangements pursuant to the definition in IFRS 11, either because unanimous consent is not required among the parties involved, or no single group of parties has joint control over the activity, the Company recognizes its share of related expenses, assets, liabilities and cash flows under the respective items in the Company's financial statements in accordance with applicable IFRS standards. In determining whether each separate arrangement related to the Company's joint operations is within or outside the scope of IFRS 11, the Company considers the terms of relevant license agreements, governmental concessions and other legal arrangements impacting how and by whom each arrangement is controlled.

■ Foreign currency translation and transactions

Transactions and balances
Foreign currency transactions are translated into functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Financial assets and financial liabilities in foreign currencies are translated into functional currency at the balance sheet date exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. Those arising in respect of financial assets and liabilities are recorded on a net basis as a financial item.

■ Classification in the statements of financial position

Current assets and short-term liabilities include items due less than one year from the statements of financial position date, and if longer, items related to the operating cycle. The current portion of long-term debt is included under current liabilities. Other assets and liabilities are classified as non-current assets and non-current liabilities.

■ Fair value

Financial instruments such as investments in equity instruments are measured at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

DNO

■ Property, plant and equipment

General

PP&E are recognized at historical cost and adjusted for depreciation, depletion and amortization (DD&A) and impairment charges.

Depreciation of PP&E other than oil and gas assets are generally depreciated on a straight-line basis over expected useful lives, normally varying from three to seven years. Expected useful lives are reviewed at each balance sheet date and, where there are changes in estimates, depreciation periods are changed accordingly.

The carrying amount of the PP&E in the statements of financial position represents the cost less accumulated DD&A and accumulated impairment charges.

Ordinary repairs and maintenance costs, defined as day-to-day servicing costs, are charged to profit or loss during the financial period in which they are incurred. The cost of major repairs and maintenance is included in the asset's carrying amount when it is likely that the Company will derive future financial benefits exceeding the originally assessed standard of performance of the existing asset.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit.

Exploration and development costs

Capitalized exploration expenditures are classified as intangible assets and reclassified to tangible assets (i.e., PP&E) at the start of the development. For accounting purposes, an oil and gas field is considered to enter the development phase when the technical feasibility and commercial viability of extracting oil and gas from the field are demonstrable, normally at the time of concept selection. All costs of developing commercial oil and gas fields are capitalized, including indirect costs. Capitalized development costs are classified as tangible assets (i.e., PP&E). Pre-development expenditures up until development project sanction in general do not meet the criteria for capitalization and are expensed as incurred.

Acquired licence rights are recognized as intangible assets at the time of acquisition. Acquired licence rights related to fields in the exploration phase remain as intangible assets when the related fields enter the development or production phase.

Oil and gas assets in production

Capitalized costs for oil and gas assets are depreciated using the unit-of-production (UoP) method. The rate of depreciation is equal to the ratio of oil and gas production for the period over the estimated remaining 2P reserves at the beginning of the period. The future development expenditures necessary to bring those reserves into production are included in the basis for depreciation and are estimated by the management based on current period-end un-escalated price levels. The reserve basis used for depreciation purposes is updated at least once a year. Any changes in the reserves affecting UoP calculations are reflected prospectively.

Component cost accounting/decomposition

The Company allocates the amount initially recognized in respect of an item of PP&E to its significant parts and depreciates separately each such part over its useful life. The Company has defined the oil and gas field (or group of oil and gas fields) or license level as the lowest level at which separate cash flows can be identified.

Borrowing costs

Interest costs directly attributable to the construction phase of PP&E assets are capitalized during the period required to complete and prepare the asset for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Other borrowing costs are expensed when incurred. The capitalization of borrowing costs is recorded based on the average interest rate for the Company in the period. The capitalized borrowing costs cannot exceed the actual borrowing costs in each period.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. The Company applies a single recognition and measurement approach for all leases, except for short-term leases (12 months or less) and leases of low-value assets. Short term leases and leases of low value assets have not been reflected in the balance sheet but expensed or capitalized as incurred, depending on the activity in which the leased asset is used.

Lease liabilities are measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses the implicit interest rate and if not readily determinable, its incremental borrowing rate at the lease commencement date. Extension options are included in the lease liability when, based on the management's judgement, it is reasonably certain that an extension will be exercised.

In the statement of cash flow, lease payments related to lease liabilities recognized in accordance with IFRS 16, are presented as cash flow used in financing activities.

■ Intangible assets

General

Intangible assets are stated at cost, less accumulated amortization and accumulated impairment charges. Intangible assets include acquisition costs for oil and gas licenses, expenditures on the exploration for oil and gas resources, technical goodwill and other intangible assets. Goodwill is not depreciated.

The useful lives of intangible assets are assessed as either finite or infinite. Amortization of intangible assets is based on the expected useful economic life and assessed for impairment whenever there is an indication that the intangible asset might be impaired. The impairment assessment of intangible assets with infinite lives is undertaken annually or more often if indicators exist.

Exploration and evaluation assets

The Company uses the successful efforts method to account for its exploration and evaluation assets. All exploration costs (including purchase of seismic, geological and geophysical costs and general and administrative costs), except for acquisition costs of licenses and drilling costs of exploration wells, are expensed as incurred. Acquisition costs of licenses and drilling costs of exploration wells are temporarily capitalized pending the determination of oil and gas resources. These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments to contractors. Continued capitalization of such costs is assessed for impairment at each reporting date. The main criterion is that there must be plans for future activity in the licence or that a development decision is expected in the near future. If reserves or resources are not found, or if discoveries are assessed not technically or commercially recoverable, the costs of exploration wells and licenses are expensed.

■ Impairment/reversal of impairment

At the end of each reporting period, the Company assesses whether there is any indication that an asset (exclusive of goodwill) may be impaired. If a significant impairment indicator is concluded to exist, an impairment test is performed.

Indications of impairment may include a decline in the long-term oil and gas price (or short-term oil and gas price for late-life oil and gas fields), changes in future investments or significant downward revision of reserve and resource estimates. For the purposes of impairment assessment, assets are grouped at the lowest levels for which there are separable identifiable cash inflows (i.e., CGU). For oil and gas assets, a CGU may be individual oil and gas fields, or a group of oil and gas fields that are connected to the same infrastructure/production facilities, or a license.

An impairment loss is recognized when the carrying amount exceeds the recoverable amount of an asset. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. Fair value less costs to sell determined through either the discounted cash flow method (income approach) or the market transactions method (market approach). The value in use can only be determined through the discounted cash flow method.

A previously recognized impairment loss is reversed through the income statement if the circumstances that gave rise to the impairment no longer exist. It is not reversed to an amount that would be higher than if no impairment loss had been recognized. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Technical goodwill

Technical goodwill is tested for impairment annually or more frequently when there are impairment indicators. Those indicators may be specific to an individual CGU or groups of CGUs to which the technical goodwill is related. When performing the impairment test for technical goodwill, deferred tax recognized in relation to the acquired licences reduces the net carrying value prior to the impairment charges.

Impairment is recognized if the recoverable amount of the CGU (or groups of CGUs) to which the technical goodwill is related is less than the carrying amount.

DNO

Impairment of goodwill cannot be reversed in future periods.

■ Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are initially recognized at fair value. After initial recognition the measurement and accounting treatment depend on the type of instrument and classification.

Financial assets

Financial assets are classified at initial recognition and subsequently measured at:

- Amortized cost;
- Fair value through other comprehensive income (FVTOCI); and
- Fair value through profit or loss (FVTPL).

Financial assets at amortized cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Company's financial assets at amortized cost include trade and other receivables.

Derecognition of financial assets

A financial asset is derecognized when the Company:

- No longer has the right to receive cash flows from the asset;
- Retains the right to receive cash flows from the asset but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement; or
- Has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred the control of the asset.

Impairment of financial assets

For trade receivables, a simplified approach is applied in calculating ECLs. Changes in credit risk are not tracked but instead a loss allowance based on lifetime ECLs at each reporting date is recognized. Expected credit losses are based on a multifactor and holistic analysis and depend on historical experience with the customers adjusted for forward-looking factors specific to the customers and the economic environment.

Financial assets are assessed with regards to default when contractual payments are past the established payment due date and there is internal or external information indicating that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Financial liabilities are classified at initial recognition as financial liabilities at FVTPL, loans and borrowings or payables.

All financial liabilities are recognized initially at fair value and in the case of loans/borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans.

The subsequent measurement of financial liabilities depends on the classification. No financial liabilities have been designated at FVTPL. Interest-bearing loans are after initial recognition measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortization cost is included as finance expense in the statements of comprehensive income.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such a modification is treated as a derecognition of the original liability and a recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Cash and cash equivalents
Cash and short-term deposits in the statements of financial position comprise cash held in banks, cash in hand and short-term deposits with an original maturity of three months or less.

■ Equity

Ordinary shares
Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares and share options are recognized as a reduction of equity, net of any tax effects.

Dividend
Liability to pay a dividend is recognized when the distribution is authorized by the shareholders. A corresponding amount is recognized directly in equity.

■ Financial income and expenses

Financial income comprises: interest income and foreign exchange gains. Interest income is recognized as it accrues in profit or loss using the effective interest method.

Financial expenses comprise: interest expenses on loans; unwinding of the discount on provisions; changes in the fair value of financial assets measured at FVTPL and foreign exchange losses.

Foreign exchange gains or losses from financial instruments are reported as financial income or financial expenses.

■ Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

■ Revenue recognition

Revenue from contracts with customers is recognized when the customer obtains control of the oil and gas, which normally will be when title passes at the point of delivery.

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, 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.

Tariff income from processing of oil and gas is recognized as earned in line with underlying agreements.

Revenues from the sale of services are recognized when services are performed.

Other revenues are recognized when the goods or services are delivered, and material risk and control are transferred.

■ Income taxes

Tax income/expense consists of taxes receivable/payable and changes in deferred tax. Taxes receivable/payable are based on the amounts receivable or payable to the tax authorities. Deferred tax liability is calculated on all taxable temporary differences, unless there is a recognition exception. A deferred tax asset is recognized only to the extent that it is probable that the future taxable income will be available against which the asset can be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are recognized irrespective of when the differences are reversed. They are recognized at their nominal value and classified as non-current assets/liabilities in the statements of financial position.

Tax payable and deferred tax are recognized directly in the equity to the extent that they relate to items charged directly to equity. For treatment of tax in relation to business combinations, see the Business combinations section.

■ Business combinations

In accordance with IFRS 3 *Business Combinations*, an acquisition is considered a business combination, when the acquired asset or groups of assets constitute a business (i.e., an integrated set of operations and assets conducted and managed for the purpose of providing a return to the investors).

Acquired businesses are included in the financial statements from the transaction date. The transaction date is defined as the date on which the Company achieves control over the financial and operating assets. This date may differ from the actual date on which the assets are transferred.

For accounting purposes, the acquisition method is used in connection with the purchase of businesses. Acquisition cost equals the fair value of the assets used as consideration, including contingent consideration, equity instruments issued and liabilities assumed in connection with the transfer of control. Acquisition cost is measured against the fair value of the acquired assets and assumed liabilities. Identifiable intangible assets are included in connection with acquisitions if they can be separated from other assets or meet the legal contractual criteria. If the acquisition cost at the time of the acquisition exceeds the fair value of the acquired net assets (when the acquiring entity achieves control of the transferring entity), goodwill arises.

If the fair value of the acquired net assets exceeds the acquisition cost on the acquisition date, the excess amount is taken to profit or loss immediately.

Goodwill is allocated to the CGUs or groups of CGUs that are expected to benefit from synergy effects of the acquisition. The allocation of goodwill may vary depending on the basis of its initial recognition.

The goodwill that is recognized by the Company is related to technical goodwill and is recognized due to the requirement to recognize deferred tax for the difference between the assigned fair values and the related tax base. The fair values of the Company's licences are based on cash flows after tax. This is because these licences are sold only on an after-tax basis. The purchaser is therefore not entitled to a tax deduction for the consideration paid above the seller's tax values. In accordance with IAS 12, a provision is made for deferred tax corresponding to the tax rate multiplied by the difference between the fair values of the acquired assets and the transferred tax depreciation basis (i.e., tax values).

The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax. Technical goodwill is tested for impairment separately for each CGU which gives rise to the technical goodwill. A CGU may be individual oil fields, or a group of oil fields that are connected to the same infrastructure/production facilities, or a license.

The estimation of fair value may be adjusted up to 12 months after the acquisition date if new information emerges about facts and circumstances that existed at the time of the takeover and which, had they been known, would have affected the calculation of the amounts that were included from that date.

Acquisition-related costs, except costs to issue debt or equity securities, are expensed as incurred. Taxes payable and deferred tax are recognized directly in the equity to the extent that they relate to items charged directly to the equity.

■ License acquisitions, farm-in/out and license swaps

License acquisitions

For acquisition of oil and gas licenses, individual assessment is made whether the acquisition should be treated as a business combination or as an asset purchase. The conclusion may materially affect the financial statements both in the transaction period and in future periods. Generally, purchase of a license in development or production phase is regarded as a business combination, while purchase of a license in the exploration phase is regarded as an asset purchase.

Farm-in and farm-out
A farm-in or farm-out of an oil and gas license takes place when the owner of a working interest (the farmor) transfers all or a portion of its working interest to another party (the farmee) in return for an agreed upon consideration and/or action, such as conducting subsurface studies, drilling wells or developing the asset. Any cash consideration received directly from the farmee is credited against costs previously capitalized in relation to the whole interest with any excess accounted for by the farmor as a gain on disposal. The farmee capitalizes or expenses its costs as incurred according to the accounting method it is using. There are no accruals for future commitments in farm-in/farm-out agreements in the exploration and evaluation phase and no profit or loss is recognized by the farmor. In the development or production phase, a farm-in/farm-out agreement will be treated as a transaction recorded at fair value as represented by the costs carried by the farmee. Any gain or loss arising from the farm-in/farm-out is recognized in the statements of comprehensive income.

License swaps
License swaps are calculated at the fair value of the asset being exchanged, unless the transaction lacks commercial substance, or neither the fair value of the asset received, nor the fair value of the asset divested, can be effectively measured. In the exploration phase, the Company normally recognizes license swaps based on historical cost basis, as the fair value is often difficult to measure. If the transaction is determined to be a business combination, the requirements of IFRS 3 apply.

■ Employee benefits

Pensions
The Company's pension obligations in Norway are limited to certain defined contribution plans which are paid to pension insurance plans and charged to profit or loss in the period in which they are incurred. Once the contributions are paid there are no further obligations.

Share-based payments
Cash-settled share-based payments are recognized in the income statement as expenses during the vesting period and as a liability. The liability is measured at fair value and revaluated using the Black & Scholes pricing model at each balance sheet date and at the date of settlement, with any change in the fair value recognized in the income statement for the period.

■ Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is likely that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the obligation amount. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only if the reimbursement is certain. The expense related to any provision is presented in profit or loss, net of any reimbursement. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount of the provision is the present value of the risk-adjusted expenditures expected to be required to settle the obligation, determined using the estimated risk-free interest rate and a credit margin as the discount rate. Where discounting is used, the carrying amount of the provision increases in each period to reflect the unwinding of the discount by the passage of time. This increase is recognized as other financial expenses.

Contingent liabilities are not recognized but are disclosed unless the possibility of an outflow of resources is remote.

Asset retirement obligations (ARO)
Provisions for ARO are initially recognized at the present value of the estimated future costs determined in accordance with local conditions and requirements.

A corresponding ARO asset (included in PP&E) of an amount equivalent to the provision is also recognized initially. This is subsequently depreciated as part of the capital costs of the production and transportation facilities.

The ARO provisions and the discount rates are reviewed at each balance sheet date. The discount rates used in the calculation of the present value of the ARO are pre-tax risk-free rates with the addition of a credit margin. The risk-free rate used has a maturity date that is expected to coincide with the time the removal will be affected and denominated in the same currency as the expected future expenditures. According to IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*, changes in the measurement of the ARO resulting from a change in the timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate, are added to or deducted from the cost of the related asset. Changes in the estimated ARO provisions impact the ARO asset in the period in which the estimate is revised.

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Related parties

Parties are related if one party has the ability to directly, jointly or indirectly control the other party or exercise significant influence over the party in making financial and operating decisions. Management is also considered to be a related party.

Transactions between related parties are transfers of resources, services or obligations, regardless of whether a price is charged. All transactions between the related parties are recorded at market value.

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

Amendments and interpretations may apply for the first time in 2024 but are not considered to have any material impact on the Company's financial statements.

Note 3 Revenues

NOK 000	2024	2023
Sale of oil	2,717,160	2,577,207
Sale of gas	1,200,717	1,443,513
Sale of natural gas liquids(NGL)	231,763	216,250
Tariff income	59,240	36,458
Total revenues from contracts with customers	**4,208,880**	4,273,428

NOK 000	2024	2023
Norway	2,933,085	3,201,593
UK	1,275,795	1,071,835
Total revenues from contracts with customers	**4,208,880**	4,273,428

Note 4 Cost of goods sold

NOK 000	2024	2023
Lifting costs	-844,663	-826,229
Tariff and transportation expenses	-448,309	-336,342
Production cost based on produced volumes	**-1,292,972**	**-1,162,572**
Movement in over/underlift	-6,617	81,765
Production cost based on sold volumes	**-1,299,589**	**-1,080,807**
Change in obsolence provision	-24,593	-4,075
Depreciation, depletion and amortization	-543,251	-401,572
Total cost of goods sold	**-1,867,433**	**-1,486,454**

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Note 5 Exploration expenses

NOK 000	2024	2023
Exploration expenses, previously capitalised	-406,979	-67,073
Exploration expenses related to licence participation	-236,276	-231,029
Other exploration expenses (seismic, licence rounds etc.)	-204,769	-98,469
Exploration expenses	**-848,024**	**-396,570**

The Company participated in the completion of five exploration/appraisal wells during 2024, whereof three discoveries. Two wells (Angel and Hummer wells) were determined not commercial and therefore written off. In addition, the Falstaff prospect in the Othello/Falstaff well was written off.

Note 6 Payroll expenses

NOK 000	2024	2023
Salaries	-216,947	-202,115
Social security tax	-41,073	-39,079
Pension costs	-24,726	-26,268
Other personnel expenses	-6,805	-5,416
Cost recharged to joint ventures and group entities	133,573	133,327
Payroll expenses	**-155,977**	**-139,551**

The Company recharges cost to operated joint ventures and work performed on behalf of related parties.

The Company had an average of 122 FTE's during 2024 (2023: 112 FTE). At year end the Company had 122 employees (2023: 112).

Pensions
The Company has established a defined contribution scheme for its employees. The scheme meets the requirements for mandatory pension in Norway.

Share Based Payments
Certain members of management have been awarded synthetic shares during the year as part of their variable remuneration. At yearend 2024, the Company's liability for synthetic shares as part of other variable remuneration amounted to NOK 14.3 million (2023: NOK 5.8 million). Recognised cost was NOK 9.6 million in 2024 (2023: NOK 5.5 million).

Key management remuneration

NOK 000	Salary	Pension	Other benefits	Total
Managing director	3,449	211	426	4,086

The Company appointed a new Managing Director in January 2024.

No members of the Board of Directors have received any remuneration in 2024 or 2023.

No loans have been granted, and no guarantees have been issued to the Managing Director or any member of the Board of Directors.

The Managing Director participates in the employee incentives scheme that has been established for the Company.

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Note 7 Administrative expenses

NOK 000	2024	2023
Office expenses	-7,200	-7,508
IT expenses	-63,154	-53,515
Travel expenses	-3,945	-4,717
Professional services	-95,084	-42,497
Cost recharged to joint ventures and group entities	82,392	57,015
Other operating expenses	-9,221	-8,454
Total administrative expenses	**-96,212**	**-59,676**

The Company recharges cost to operated joint ventures and work performed on behalf of related parties.

Auditor`s fees(ex. Vat)

NOK 000	2024	2023
Auditor's fees	-541	-758
Tax advisory services	-382	-110
Other advisory services	-96	0
Total auditor`s fee	**-1,019**	**-868**

Note 8 Intangible Assets

2024 - NOK 000	Goodwill	Exploration assets	Total
As of 1 January 2024			
Acquisition costs	891,396	3,120,317	4,011,713
Accumulated impairments	-522,082	-1,223,962	-1,746,044
Net book amount	**369,314**	**1,896,356**	**2,265,670**
Period ended 31 December 2024			
Opening net book amount	369,314	1,896,356	2,265,670
Additions	547,677	952,892	1,500,569
Disposals	-30,431	-	-30,431
Write offs	-25,098	-406,979	-432,076
Closing net book amount	**861,463**	**2,442,269**	**3,334,163**
As of 31 December 2024			
Acquisition costs	1,259,614	4,073,209	5,332,823
Accumulated impairments	-398,151	-1,630,940	-2,029,091
Net book amount	**861,463**	**2,442,269**	**3,303,732**

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2023 - NOK 000	Goodwill	Exploration assets	Total
As of 1 January 2023			
Acquisition costs	891,396	1,909,844	2,801,240
Accumulated impairments	-404,800	-1,156,889	-1,561,689
Net book amount	**486,596**	**752,955**	**1,239,551**
Period ended 31 December 2023			
Opening net book amount	486,596	752,955	1,239,551
Additions	-	1,210,474	1,210,474
Write offs	-117,282	-67,073	-184,355
Transfer to PPE	-	-	-
Closing net book amount	**369,314**	**1,896,356**	**2,265,670**
As of 31 December 2023			
Acquisition costs	891,396	3,120,317	4,011,713
Accumulated impairments	-522,082	-1,223,962	-1,746,044
Net book amount	**369,314**	**1,896,356**	**2,265,670**

Note 9 Property, Plant and Equipment

2024 - NOK 000	Oil & gas assets	Other PP&E	RoU assets	Total
As of 1 January 2024				
Acquisition costs	8,778,443	37,507	93,972	8,909,923
Accumulated impairments	-2,952,022	-	-	-2,952,022
Accumulated depreciation	-2,636,564	-31,200	-52,037	-2,719,801
Net book amount	**3,189,857**	**6,307**	**41,936**	**3,238,100**
Period ended 31 December 2024				
Opening net book amount	3,189,857	6,307	41,936	3,238,100
Additions	2,674,151	657	3,358	2,678,166
Disposals	-315,053	-	-	-315,053
Impairments	-75,027	-	-	-75,027
Depreciation	-543,251	-3,421	-16,075	-562,747
Closing net book amount	**4,930,677**	**3,543**	**29,219**	**4,963,438**
As of 31 December 2024				
Acquisition costs	10,933,763	38,164	97,331	11,069,257
Accumulated impairments	-3,027,049	-	-	-3,027,049
Accumulated depreciation	-2,976,037	-34,621	-68,112	-3,078,770
Net book amount	**4,930,677**	**3,543**	**29,219**	**4,963,438**

Depreciation method	UOP	3-7 years linear

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2023 - NOK 000	Oil & gas assets	Other PP&E	RoU assets	Total
As of 1 January 2023				
Acquisition costs	10,933,763	38,164	97,331	11,069,257
Accumulated impairments	-3,027,049	-	-	-3,027,049
Accumulated depreciation	-2,976,037	-34,621	-68,112	-3,078,770
Net book amount	**4,930,677**	**3,543**	**29,219**	**4,963,438**
Period ended 31 December 2023				
Opening net book amount	4,930,677	3,543	29,219	4,963,438
Additions	1,190,665	2,934	1,653	1,195,251
Impairments	-167,814	-	-	-167,814
Depreciation	-401,572	-3,505	-15,528	-420,606
Closing net book amount	**5,551,956**	**2,971**	**15,343**	**5,570,270**
As of 31 December 2023				
Acquisition costs	12,124,428	41,098	93,972	12,259,497
Accumulated impairments	-3,194,863	-	-	-3,194,863
Accumulated depreciation	-3,377,609	-38,127	-52,037	-3,467,772
Net book amount	**5,551,956**	**5,992**	**41,936**	**5,596,862**

Depreciation method UOP 3-7 years linear

Impairment testing

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. An assessment of the recoverable amount is made when an impairment indicator exists. Goodwill is tested for impairment annually or more frequently when there are impairment indicators. Impairment is recognized when the carrying amount of an asset or a CGU, including associated goodwill, exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and the value in use. For both the value in use and fair value, the impairment testing is performed based on discounted cash flows. The expected future cash flows are discounted to the net present value by applying a discount rate after tax. Cash flows are projected for the estimated lifetime of the fields or license, which may exceed periods longer than five years.

Below is an overview of the key assumptions applied for impairment assessment purposes as of 31 December 2024.

Oil and gas prices

Forecasted oil and gas prices are based on management's estimates and market data. The near-term price assumptions are based on forward curve pricing over the period for which there is deemed to be a sufficient liquid market and observable broker and analyst consensus. The long-term price assumptions reflect management's best estimate of the oil and gas price development over the life of the Company's oil and gas fields based on its view of current market conditions and future developments. Management's assessment also includes comparison with long-term oil and gas price assumptions communicated by peer companies and other external forecasts. Oil and gas price assumptions applied for impairment testing are reviewed and, where necessary, adjusted on a periodic basis.

The nominal oil and gas price assumptions applied for impairment assessments at yearend 2024 were as follows (yearend 2023 in brackets):

	2025	2026	2027	2028
Brent (USD/bbl)	71.5 (84.0)	74.4 (75.5)	72.0 (73.6)	71.9 (71.8)
NBP (pence/therm)	110.7 (115.0)	87.6 (96.5)	85.6 (86.5)	80.9 (76.4)

For periods after year 2029, the long-term oil and gas price assumptions applied were USD 65.0 per barrel and 69 pence sterling per therm, respectively (in real terms, basis year 2024).

Oil and gas price differential
The estimated net oil and gas price is based on the above nominal price assumptions adjusted for price differentials due to quality and transportation for each individual field.

Oil and gas reserves and resources
Future cash flows are calculated on the basis of expected production profiles and estimated proven and probable remaining reserves, and additional risked contingent resources when the impairment assessments are based on the fair value approach. For more information about reserves and resources estimate, see Note 1 and Note 22.

Discount rate
The discount rate is derived from the Company's weighted average cost of capital (WACC). Main elements of the WACC include:

- For the value in use calculations, the capital structure considered in the WACC calculation is derived from DNO's debt and equity to enterprise value ratio at yearend. For the fair value calculations, the capital structure considered in the WACC calculation is derived from the capital structures of an identified peer group and market participants.
- The cost of equity is calculated on a country-by-country basis using the Capital Asset Pricing Model (CAPM) and adding a country risk premium. The beta factor is based on publicly available data about the Company's beta in the value in use calculations, whereas the beta factors used for the fair value calculations are based on publicly available market data about the identified peer group.
- For the value in use calculations, the cost of debt is based on yield-to-maturity on the Company's outstanding bond loans with an upward adjustment to reflect a potential extension, whereas for fair value calculations the cost of debt is based on an identified peer group's bond loan issues.

For the fair value calculations, the relevant post-tax nominal discount rates at yearend 2024 were 8.9 percent (9.8 percent at yearend 2023).

Inflation and currency rates
The long-term inflation rate is assumed to be 2.0 percent independent of the underlying country or currency (unchanged from yearend 2023). The Company has applied the forward curve and observable broker and analyst consensus as basis for assessment of currency rates. The USD/NOK applied for impairment testing at yearend 2023, was USD/NOK 10.5 for the years 2024 basis for assessment of currency rates. The USD/NOK applied for impairment testing at yearend 2024, was USD/NOK 11.0 for 2025, USD/NOK 10.5 for the years 2026-2027, USD/NOK 10.0 for the years 2028-2029 and thereafter kept constant at USD/NOK 10.0 from the year 2030 onwards.

Impairment charge and reversal

NOK 000	2024	2023
Oselvar	-199	5,965
Ula CGU	-76,216	-172,703
Other	1,388	-1,076
Vilje	-25,098	-117,282
Total	**-100,125**	**-285,096**

During 2024, a total impairment charge of NOK 100.1 million (NOK 41.6 million post-tax) was recognized, mainly driven by:

- Downward revision of the oil price assumption and reserves estimates, and updated cost profiles (Vilje); and
- Upward revision in the cost estimate for decommissioning (Ula area CGU).

During 2023, a total impairment charge of NOK 285.1 million (NOK 154.2 million post-tax) was recognized, mainly driven by:

- Downward revision of the oil price assumption and reserves estimates, and updated cost profiles (Vilje); and
- Upward revision in the cost estimate for decommissioning (Ula area CGU).

Note 10 Net financial items

NOK 000	2024	2023
Interest income	106,907	89,408
Foreign exchange gains(net)	123,897	42,444
Other financial income	1,585	12,549
Financial income	**232,389**	**144,402**
Interest expenses	-44,534	-45,743
Capitalised borrowing cost	46,238	26,474
Other financial expenses	-191,471	-154,170
Financial expenses	**-189,767**	**-173,438**
Net financial items	**42,622**	**-29,036**

Other financial expenses relate to the amortization of issue costs, premium on hedging arrangements and accretion expenses (i.e., unwinding of discount) related to the ARO provisions.

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Note 11 Taxation

INCOME TAX (EXPENSE)/BENEFIT

NOK 000	2024	2023
Tax (payable)/refund on profit/loss	429,299	-70,564
Change in deferred tax asset/liability	-1,089,120	-1,386,272
Tax payable recognised against balance sheet	-130,327	-14,626
Change regarding previous years	-2,822	3,300
Income tax (expense)/benefit	**-792,970**	**-1,468,163**

RECONCILIATION OF INCOME TAX (EXPENSE)/BENEFIT

NOK 000	2024	2023
Profit before taxes	1,186,354	1,861,212
Calculated tax according to petroleum tax rate (78 %)	-925,404	-1,451,745
Permanent differences, incl. Impairment of goodwill	167,953	-26,696
Effect of uplift	63,484	51,848
Other items, incl finance and onshore	-96,181	-44,869
Adjustment previous years	-2,822	3,300
Income tax (expense)/benefit	**-792,970**	**-1,468,163**
Effective tax rate	**66.8 %**	**78.9 %**

DEFERRED TAX SPECIFICATION

NOK 000	2024	2023
Oil & gas asets	-5,481,771	-3,587,616
Office equipment	3,560	3,671
Other items	20,271	4,210
Asset Retirement obligation	3,207,514	2,348,913
Borrowing cost valued at tax rate 22%	-	-5,411
Deferred tax asset/ liability(-)	**-2,250,426**	**-1,236,232**
	2,250,426	**1,236,232**

RECONCILIATION OF TAX PAYABLE/RECEIVABLE

NOK 000	2024	2023
Tax (payable)/receivable at 1 January	-70,564	-1,239,493
Recognised group contribution	24,778	24,221
Tax (payable)/receivable in the income statement	429,299	-70,564
Tax paid/refunded(-)	8,946	1,211,843
Prior period adjustment	17,530	3,430
Tax payable from transactions	-130,327	-
Tax (payable)/receivable at 31 December	**279,660**	**-70,564**

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Note 12 Trade receivables and other current assets

NOK 000	2024	2023
Trade receivables	38,058	51,791
Other current receivables	41,451	54,564
Intercompany receivables	555,673	24,911
Stock in joint ventures	195,660	107,606
Working capital receivables in joint ventures	847,960	497,193
Prepayments & Accrued Income	439,113	262,261
VAT receivables	15,508	40,674
Underlift	54,118	120,697
Trade receivables and other current assets	**2,187,542**	**1,159,699**

Note 13 Cash and cash equivalents

NOK 000	2024	2023
Bank deposits, restricted	176,886	123,409
Bank deposits, unrestricted	638,902	1,758,517
Cash and cash equivalents	**815,787**	**1,881,926**

Restricted cash relates to tax withheld for employees and deposited cash for future decommissioning.

Note 14 Share capital

NOK 000	Number of common shares	Share capital
Total as of 1 January 2023	**76,172,100**	**152,702**
Share issued in 2023	-	-
Total as of 31 December 2023	**76,172,100**	**152,702**
Share issued in 2024	-	-
Total as of 31 December 2024	**76,172,100**	**152,702**

The nominal value of each share is NOK 2. All shares have equal voting rights.

All shares are owned by DNO North Sea plc.

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Note 15 Interest-bearing liabilities

NOK 000	Facility currency	Facility amount	Interest (percent)	Maturity	Fair value 2024	Fair value 2023	Carrying amount 2024	Carrying amount 2023
Non-current								
Reserve based lending facility	USD	230.0	see below	07.11.26	567 670	-	567 670	-
Total non-current interest-bearing liabilities					**567 670**	**-**	**567 670**	**-**
Current								
Reserve based lending facility	USD	230.0	see below	07.11.26	-	356 034	-	356 034
Total current interest-bearing liabilities					**-**	**356 034**	**-**	**356 034**
Total interest-bearing liabilities to credit institution					**567 670**	**356 034**	**567 670**	**356 034**

As of 31 December 2024, the DNO North Sea plc group, where the Company is subsidiary has a reserve-based lending (RBL) facility for its Norway and UK production licenses with a total facility limit of USD 230 million which is available for both debt and issuance of letters of credit. Interest charged on utilizations is based on SOFR plus a margin, currently 3.00 percent. The facility will amortize over the loan life with a final maturity date of 7 November 2026. The entities that participate in the facility are required to submit quarterly a liquidity test and maintain a consolidated net debt divided by EBITDAX ratio of maximum 3.50. As of 31 December 2024, the Company was in a net cash position. The security under the RBL includes, without limitation, a pledge over the shares in DNO North Sea plc and its subsidiaries, assignment of claims under shareholder loans, intra-group loans and insurances, a pledge of certain bank accounts and mortgages over the license interests. There are also restrictions on loans and dividend payments to DNO ASA. The borrowing base amount of the facility from 1 January 2025 is USD 150 million. Amount utilized as of the reporting date is disclosed in the table above. In addition, USD 18.6 million (2023: USD 18.5 million) is utilized in respect of letters of credit.

There have been no breaches of the financial covenants of any interest-bearing liability in the current period. As part of refinancing efforts following the acquisition of Sval Energi Group AS. DNO North Sea plc group has voluntarily decided to repay the RBL loan on 25 June, ahead of maturity. The loan will be replaced by alternative financing supported by DNO ASA

Note 16 Trade payables and other current liabilities

NOK 000	2024	2023
Trade payables	347,308	240,547
Intercompany payables	18,016	11,430
Working capital liabilities in joint ventures	774,945	563,331
Salary accruals	49,321	53,314
Other accrued expenses	448,918	338,811
Public duties payable	26,860	26,242
Deferred income and overlift	63,786	165,145
Trade payables and other current liabilities	**1,729,154**	**1,398,820**

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Note 17 Business combinations

The Company completed one transaction during 2024 as described below. The transaction is regarded as business combination and accounted for using the acquisition method. Purchase price allocation (PPA) has been performed to allocate the consideration to fair value of assets acquired and liabilities assumed. No material changes booked during the measurement period.

Norne Area acquisition
On 8 May 2024, DNO ASA announced that as the Company had entered into an agreement to acquire stakes in five oil and gas fields, including an operatorship, in the Norne area in the Norwegian Sea from Vår Energi ASA. The transaction included interests in four producing fields, Norne (6.9 percent), Skuld (11.5 percent), Urd (11.5 percent) and Marulk (20 percent and operatorship) plus the ongoing Verdande development (10 percent). The transaction was completed on 30 August 2024 which is also the acquisition date for accounting purposes. The goodwill recognized relates mainly to technical goodwill. No contingent consideration is to be paid. Transaction costs of USD 0.2 million were incurred and expensed in the profit/loss statement. Since the acquisition, DNO has included in its consolidated statement of comprehensive income a revenue of USD 12.7 million and a profit of USD 1.9 million. If the business combination had occurred in the beginning of 2024, DNO would have included in its consolidated statement of comprehensive income a revenue of USD 71.7 million and a profit of USD 9.1 million.

NOK 000	Fair value at acquistion date
Deferred tax assets	584,645
Producing assets	789,400
Other current assets	31,506
Total assets	**1,405,551**
Deferred tax liabilities	573,483
Asset retirement obligation	704,307
Other current liabilities	120,080
Tax payable	135,690
Total liabilities	**1,533,560**
Consideration (Cash)	297,977
Ringhorne East transfer at fair value	121,712
Total consideration	**419,689**
Net assets excluding goodwill	- 127,988
Consideration	419,689
Goodwill	**291,701**

The transfer of DNO's 22.6 percent interest in Ringhorne East to Vår Energi ASA, the other element of the swap, was also completed on 30 August 2024. The gain on the disposal is the difference between the proceeds and the carrying amount and has been recognized in the profit/loss statement

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NOK 000	
Net asset derecognized	129,379
Consideration received	160,935
Gain	**31,556**

Note 18 Provisions

NOK 000	2024	2023
Non current		
Asset retirement obligation	3,997,885	2,986,275
Total non-current provisions	**3,997,885**	**2,986,275**
Lease liability	15,913	28,584
Total non-current lease liability	**15,913**	**28,584**
Current		
Asset retirement obligation	125,896	32,076
Other provisions	14,348	5,764
Total current provisions	**140,244**	**37,840**
Lease liability	16,015	16,352
Total current lease liability	**16,015**	**16,352**

The total ARO of NOK 4.0 billion ('BNOK') (2023: BNOK 3) relates primarily to the Company's production and development facilities. The ARO is recorded as the Company's share of the decommissioning cost expected to be incurred. These costs are expected to be incurred at various intervals over the next 26 years. The economic life and the timing of the decommissioning liabilities are dependent on Government legislation, commodity prices and the future production profiles of the production and development facilities. In addition, the costs of decommissioning are subject to inflation in the service costs of third parties. The assumptions applied per yearend 2024 are 2 percent (2023: 2 percent) inflation and a discount rate in the range of 5.1-5.3 percent (2023 4.9-5.0 percent) based on time until cessation of production.

Note 19 Related parties

NOK 000	2024	2023
Non current		
Loans from group companies	-222,720	-110,095
Net long term balance with related parties	**-222,720**	**-110,095**
Current		
Intercompany receivables	555,673	24,911
Intercompany payables	-18,016	-11,430
Net short term balance with related parties	**537,657**	**13,481**
Transactions with group companies		
Purchase of business services	-61,159	-33,144
Sale of business services	30,680	36,875
Interest income	35,367	-
Interest expense	-11,002	-4,182
Net transations with related parties	**-6,113**	**-451**

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The Company's intercompany loan is from ultimate parent Company DNO ASA. Interest rate on outstanding loans is the rate applicable under the Reserve-Based Lending facility plus a margin of 1.5 percent.

The Company's intercompany receivable is a short-term loan to DNO Exploration UK Limited. The loan is expected repaid during 2025.

Purchase of business services from related parties mainly relate to recharged third-party cost and work related to centralised services performed by DNO ASA. The sale of business services mainly relates to technical work performed by Company staff on behalf of other entities in the DNO ASA group. The recharge is without a mark-up and calculated at cost.

Note 20 Financial instruments

Financial risk management, objectives and policies

Overview

The Company's principal financial liabilities are comprised of interest-bearing liabilities, tax payable and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents.

The Company is exposed to a range of risks affecting its financial performance including market risk, liquidity risk and credit risk. The Company seeks to minimize potential adverse effects of such risks through sound business practices and risk management program. No hedge accounting is applied.

Market risk

The Company is exposed to market risks driven by fluctuations in oil and gas prices, foreign currency exchange rates and interest rates.

Oil and gas price risk

The Company's revenues are generated from the sale of oil and gas. The Company had no oil and gas price hedging arrangements at yearend 2024, although it monitors its oil and gas price risk on a continuous basis and evaluates hedging alternatives.

Foreign currency exchange rate risk

The Company has potential currency exposures in respect of items denominated in foreign currencies relating to transactional exposure in respect of operating costs and capital expenditure incurred in currencies other than the functional currency of operations. The Company had no currency hedging arrangements at yearend 2024.

Interest rate risk

Interest rate exposure on intercompany loan, and the reserve-based lending facility (RBL) is considered limited and no hedging arrangement was in place during 2024. The Company is also exposed to interest rate risk on its cash deposits held at floating interest rates.

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash balances, credit facilities and other financial resources to maintain financial flexibility under dynamic market conditions. The Company's principal sources of liquidity are operating cash flows from its producing assets. In addition to its operating cash flows, the Company relies on the facilities in place. At yearend 2024, the DNO North Sea plc group had available RBL in relation to its Norway and UK licenses with a total facility amount of USD 230 million. The Company's finance function prepares projections on a regular basis in order to plan the Company's liquidity requirements. These plans are updated regularly for various scenarios and form part of the basis for decision making for the Company's Board of Directors and executive management.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Company. The Company's exposure to credit risk is considered low and is mainly related to its outstanding trade debtors. Other counterparty credit risk exposure to the Company is related to its cash deposits with banks and financial institutions.

Capital Management

For the purpose of the Company's capital management, capital is defined as the total equity and debt of DNO. The Company manages and adjusts its capital structure to ensure that it remains sufficiently funded to support its business strategy and maximize shareholder value. If required, the capital structure may be adjusted through equity or debt transactions, asset restructuring or through other measures. Management continuously monitors the equity ratio of the Company and takes appropriate steps to ensure the Company is appropriately funded.

Note 21 Oil & Gas licence portfolio

At yearend 2024, the Company held 85 licenses on the Norwegian continental shelf:

Region/license	Participating interest (percent)	Operator	Partner(s)
Norway			
PL006 C	65.0	DNO Norge AS	Aker BP ASA
PL018 ES	45.0	DNO Norge AS	Sval Energi AS, A/S Norske Shell
PL019	20.0	Aker BP ASA	DNO Norge AS
PL019 E	20.0	Aker BP ASA	DNO Norge AS
PL019 F	45.0	Aker BP ASA	DNO Norge AS
PL036 D	28.9	Aker BP ASA	DNO Norge AS, ORLEN Upstream Norway AS
PL048 D	9.3	Equinor Energy AS	DNO Norge AS, Petrolia NOCO AS, Aker BP ASA
PL053 B	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 B	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 D	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 E	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 FS	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL065	45.0	Aker BP ASA	DNO Norge AS
PL065 B	45.0	Aker BP ASA	DNO Norge AS
PL1049	40.0	DNO Norge AS	Concedo AS, Petoro AS
PL1084	40.0	Aker BP ASA	DNO Norge AS
PL1085	25.0	Aker BP ASA	DNO Norge AS, Petoro AS
PL1086	50.0	DNO Norge AS	Source Energy AS, Petoro AS, Aker BP ASA
PL1102	30.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1102 B	30.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1108	40.0	DNO Norge AS	Pandion Energy AS, OKEA ASA
PL1109*	20.0	OMV (Norge) AS	DNO Norge AS, Pandion Energy AS, Aker BP ASA
PL1119*	10.0	Equinor Energy AS	OKEA ASA, Pandion Energy AS, DNO Norge AS
PL1120	40.0	DNO Norge AS	Equinor Energy AS, Vår Energi AS, Harbour Energy Norge AS
PL1145	60.0	DNO Norge AS	Aker BP ASA
PL1147	20.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1148	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS
PL1148 B	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS

DNO

PL1148 CS	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS
PL1150 S	40.0	OKEA ASA	DNO Norge AS
PL1151	20.0	Harbour Energy Norge AS	DNO Norge AS, Aker BP ASA, Pandion Energy AS, Equinor Energy AS
PL1158	40.0	Aker BP ASA	DNO Norge AS, Sval Energi AS
PL1171	50.0	Aker BP ASA	DNO Norge AS
PL1172	30.0	Aker BP ASA	DNO Norge AS, ORLEN Upstream Norway AS
PL1175	30.0	Aker BP ASA	DNO Norge AS, ORLEN Upstream Norway AS
PL1182 S	40.0	DNO Norge AS	Aker BP ASA, Japex Norge AS, Concedo AS
PL1186	20.0	Equinor Energy AS	DNO Norge AS, OKEA ASA, Harbour Energy Norge AS
PL1187	30.0	OKEA ASA	DNO Norge AS, M Vest Energy AS, Harbour Energy Norge AS
PL1198	20.0	Aker BP ASA	DNO Norge AS, Source Energy AS, Petoro AS
PL1203	20.0	Vår Energi AS	DNO Norge AS, Source Energy AS, Petoro AS
PL1204	60.0	DNO Norge AS	Equinor Energy AS
PL1205	40.0	ConocoPhillips Skandinavia AS	DNO Norge AS
PL1209	40.0	DNO Norge AS	Equinor Energy AS, Concedo AS
PL1212 S	40.0	Equinor Energy AS	DNO Norge AS, Japex Norge AS
PL1213 S	30.0	Vår Energi ASA	DNO Norge AS, Harbour Energy Norge AS
PL1216	40.0	DNO Norge AS	Harbour Energy Norge AS, Source Energy AS
PL1226	40.0	Equinor Energy AS	DNO Norge AS
PL1228	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL1229	30.0	Sval Energi AS	DNO Norge AS, Harbour Energy Norge AS, ORLEN Upstream Norway AS
PL122	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL122 B	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL122 C	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL122 D	37.0	DNO Norge AS	Equinor Energy AS, ORLEN Upstream Norway AS
PL128	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL128 B	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL128 D	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL128 E	11.5	Equinor Energy AS	DNO Norge As, Petoro As
PL147	50.0	DNO Norge AS	Sval Energi AS
PL159 B	32.0	Equinor Energy AS	DNO Norge AS, ORLEN Upstream Norway AS
PL159 G	32.0	Equinor Energy AS	DNO Norge AS, ORLEN Upstream Norway AS
PL185	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL248 F	20.0	Harbour Energy Norge AS	DNO Norge AS, Petoro AS
PL248 GS	20.0	Harbour Energy Norge AS	DNO Norge AS, Petoro AS
PL248 K	20.0	Harbour Energy Norge AS	DNO Norge AS, Petoro AS
PL293 B	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Petroleum Norge AS, Japex Norge AS
PL293 CS	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Petroleum Norge AS, Japex Norge AS
PL300	45.0	Aker BP ASA	DNO Norge AS

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PL405	15.0	Sval Energi AS	DNO Norge AS, Aker BP ASA
PL586	7.5	Vår Energi ASA	DNO Norge AS, Sval Energi AS
PL586 B	7.5	Vår Energi ASA	DNO Norge AS, Sval Energi AS
PL644	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 B	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 C	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 D	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL740	39.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, M Vest Energy AS
PL827 S	49.0	Equinor Energy AS	DNO Norge AS
PL827 SB	49.0	Equinor Energy AS	DNO Norge AS
PL836 S	30.0	Harbour Energy Norge AS	DNO Norge AS, Equinor Energy AS
PL836 SB	30.0	Harbour Energy Norge AS	DNO Norge AS, Equinor Energy AS
PL923	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL923 B	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL929	10.0	Vår Energi ASA	DNO Norge AS, Pandion Energy AS, Harbour Energy Norge AS, Aker BP ASA
PL984	30.0	DNO Norge AS	Vår Energi ASA, Source Energy AS, Equinor Energy AS, Aker BP ASA
PL984 BS	30.0	DNO Norge AS	Vår Energi ASA, Source Energy AS, Equinor Energy AS, Aker BP ASA

*DNO farmed into a 10 percent stake in the PL1119 license prior to the spud of the Mistral exploration well in late December 2024. In return, DNO gave up a 10 percent stake in the PL1109 license containing the Horatio prospect, retaining 20 percent

At yearend 2023, the Company held 73 licenses on the Norwegian continental shelf:

Region/license	Participating interest	Operator	Partner(s)
Norway			
PL006 C	65.0	DNO Norge AS	Aker BP ASA
PL018 ES	45.0	A/S Norske Shell	DNO Norge AS, Sval Energi AS
PL019	20.0	Aker BP ASA	DNO Norge AS
PL019 E	20.0	Aker BP ASA	DNO Norge AS
PL019 F	45.0	Aker BP ASA	DNO Norge AS
PL036 D	28.9	Aker BP ASA	DNO Norge AS, PGNiG Upstream Norway AS
PL048 D	9.3	Equinor Energy AS	DNO Norge AS, Petrolia NOCO AS, Aker BP ASA
PL053 B	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 B	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 D	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL055 E	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL065	45.0	Aker BP ASA	DNO Norge AS
PL065 B	45.0	Aker BP ASA	DNO Norge AS
PL1049	40.0	DNO Norge AS	Longboat Japex Norge AS, Petoro AS
PL1083	30.0	Aker BP ASA	DNO Norge AS, Petoro AS
PL1084	40.0	Aker BP ASA	DNO Norge AS
PL1085	25.0	Aker BP ASA	DNO Norge AS, Petoro AS
PL1086	50.0	DNO Norge AS	Source Energy AS, Petoro AS
PL1102	30.0	Aker BP ASA	DNO Norge AS, Equinor Energy AS
PL1106	40.0	DNO Norge AS	Petoro AS, Petrolia NOCO AS, Aker BP ASA
PL1108	40.0	DNO Norge AS	Pandion Energy AS, OKEA ASA
PL1109	30.0	OMV (Norge) AS	DNO Norge AS, Pandion Energy AS
PL1112	20.0	A/S Norske Shell	DNO Norge AS, Neptune Energy Norge AS, Sval Energi AS
PL1120	40.0	DNO Norge AS	Equinor Energy AS, Vår Energi ASA, Wintershall Dea Norge AS
PL1145	60.0	DNO Norge AS	Aker BP ASA
PL1146	25.0	ConocoPhilips Skandinavia AS	DNO Norge AS

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PL1146B	25.0	ConocoPhilips Skandinavia AS	DNO Norge AS
PL1147	20.0	Sval Energi AS	DNO Norge AS, Equinor Energy AS. Aker BP ASA
PL1148	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS
PL1148B	30.0	Wellesley Petroleum AS	DNO Norge AS, Aker BP ASA, Equinor Energy AS
PL1151	20.0	Wintershall Dea Norge AS	DNO Norge AS, Aker BP ASA, Pandion Energy AS
PL1158	40.0	Aker BP ASA	DNO Norge AS, Sval Energi AS
PL1160	60.0	DNO Norge AS	Sval Energi AS
PL1171	50.0	Aker BP ASA	DNO Norge AS
PL1172	30.0	Aker BP ASA	DNO Norge AS, PGNiG Upstream Norway AS
PL1175	30.0	Aker BP ASA	DNO Norge AS, PGNiG Upstream Norway AS
PL1182S	40.0	DNO Norge AS	Aker BP ASA, Longboat Japex Norge AS
PL1186	20.0	Equinor Energy AS	DNO Norge AS, OKEA ASA, Wintershall Dea Norge AS
PL1187	30.0	OKEA ASA	DNO Norge AS, M Vest Energy AS, Wintershall Dea Norge AS
PL122	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL122 B	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL122 C	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL122 D	17.0	Vår Energi ASA	DNO Norge AS, Equinor Energy AS, PGNiG Upstream Norway AS
PL147	50.0	DNO Norge AS	Sval Energi AS
PL159 B	32.0	Equinor Energy AS	DNO Norge AS, PGNiG Upstream Norway AS
PL159 G	32.0	Equinor Energy AS	DNO Norge AS, PGNiG Upstream Norway AS
PL169 E	87.0	DNO Norge AS	Vår Energi ASA
PL185	14.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, Petrolia NOCO AS, M Vest Energy AS
PL248 F	20.0	Wintershall Dea Norge AS	DNO Norge AS, Petoro AS
PL248 GS	20.0	Wintershall Dea Norge AS	DNO Norge AS, Petoro AS
PL248 K	20.0	Wintershall Dea Norge AS	DNO Norge AS, Petoro AS
PL293 B	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Norge AS, Longboat Japex Norge AS
PL293 CS	29.0	Equinor Energy AS	DNO Norge AS, INPEX Idemitsu Norge AS, Longboat Japex Norge AS
PL300	45.0	Aker BP ASA	DNO Norge AS
PL405	15.0	Sval Energi AS	DNO Norge AS, Aker BP ASA
PL586	7.5	Neptune Energy Norge AS	DNO Norge AS, Vår Energi AS, Sval Energi AS
PL586 B	7.5	Neptune Energy Norge AS	DNO Norge AS, Vår Energi AS, Sval Energi AS
PL644	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 B	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL644 C	30.0	OMV (Norge) AS	DNO Norge AS, Equinor Energy AS
PL740	39.3	OKEA ASA	DNO Norge AS, Lime Petroleum AS, M Vest Energy AS
PL827 S	49.0	Equinor Energy AS	DNO Norge AS
PL827 SB	49.0	Equinor Energy AS	DNO Norge AS
PL836 S	30.0	Wintershall Dea Norge AS	DNO Norge AS, Equinor Energy AS
PL836 SB	30.0	Wintershall Dea Norge AS	DNO Norge AS, Equinor Energy AS

PL923	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL923 B	20.0	Equinor Energy AS	DNO Norge AS, Petoro AS
PL929	10.0	Neptune Energy Norge AS	DNO Norge AS, Pandion Energy AS, Wintershall Dea Norge AS, Aker BP AS
PL969	45.0	A/S Norske Shell	DNO Norge AS, Sval Energi AS
PL969 B	45.0	A/S Norske Shell	DNO Norge AS, Sval Energi AS
PL984	30.0	DNO Norge AS	Vår Energi ASA, Source Energy AS, Equinor Energy AS, Aker BP ASA
PL984 BS	30.0	DNO Norge AS	Vår Energi ASA, Source Energy AS, Equinor Energy AS, Aker BP ASA

Capital commitments and abandonment expenditures

Based on work plans as of yearend 2024 and contingent on future market conditions including development in the oil and gas price, the Company's projected operational spend, comprising of capital and exploration expenditures, abandonment expenditures and operational expenditures at yearend 2024 amounted to NOK 7 022 million. The projected operational spend reflects the Company's share of planned drilling and facility investments and decommissioning plan in its licenses in 2025. The execution of these work plans is subject to revisions.

Note 22 Oil and gas reserves (unaudited)

Net reserves by field as of 31 December 2024

	Proven (1P)				Proven and probable (2P)				Proven, probable and possible (3P)			
MMboe	**Oil**	**NGL**	**Gas**	**Total**	**Oil**	**NGL**	**Gas**	**Total**	**Oil**	**NGL**	**Gas**	**Total**
Alve	0.4	0.8	3.2	4.3	0.4	0.9	3.3	4.7	0.5	1.0	3.5	5.0
Andvare	0.1	0.5	2.5	3.1	0.2	0.8	3.5	4.5	0.3	1.2	4.9	6.4
Berling	1.5	1.1	4.8	7.3	2.2	1.6	6.8	10.6	3.1	2.2	8.8	14.2
Bestla	2.0	0.2	0.7	2.9	5.7	0.5	1.4	7.6	11.2	0.7	2.5	14.4
Brage	0.8	0.0	0.0	0.8	1.4	0.0	0.1	1.6	1.9	0.1	0.3	2.3
Fenja	0.4	0.1	0.7	1.1	0.8	0.1	0.9	1.8	1.3	0.1	1.3	2.7
Marulk	0.0	0.0	0.5	0.5	0.1	0.1	1.0	1.2	0.1	0.2	1.7	2.0
Norne	0.3	0.0	0.1	0.4	0.4	0.0	0.1	0.5	0.6	0.0	0.2	0.8
Oda (Ula area)	0.4	0.0	0.0	0.4	0.5	0.0	0.0	0.5	0.6	0.0	0.0	0.7
Skuld	0.3	0.0	0.2	0.5	0.4	0.0	0.2	0.6	0.6	0.0	0.2	0.7
Tambar (Ula area)	0.4	0.0	0.1	0.5	1.1	0.1	0.2	1.4	1.8	0.1	0.3	2.1
Tambar East (Ula area)	0.9	0.1	0.1	1.1	1.7	0.1	0.2	2.0	2.4	0.2	0.3	2.8
Trym	0.2	0.0	1.0	1.1	0.3	0.0	1.2	1.5	0.4	0.0	1.5	1.8
Ula	0.5	0.0	0.0	0.5	0.9	0.1	0.0	0.9	1.2	0.1	0.0	1.4
Urd	0.4	0.0	0.0	0.4	0.7	0.0	0.0	0.7	0.9	0.0	0.0	0.9
Verdande	1.8	0.0	0.3	2.1	3.0	0.1	0.5	3.6	4.2	0.1	0.8	5.1
Vilje	0.6	0.0	0.0	0.6	1.2	0.0	0.1	1.3	2.5	0.0	0.1	2.7
Total	**10.8**	**2.9**	**13.9**	**27.7**	**20.9**	**4.5**	**19.5**	**44.9**	**33.6**	**6.1**	**26.3**	**66.0**

Development of net reserves

MMboe	**1P**	**2P**	**3P**
As of 1 January 2023	**24.6**	**35.8**	**48.1**
Production	-5.1	-5.1	-5.1
Acquisitions	-	-	-
Divestments	-	-	-
Extensions and discoveries	-	-	-
New developments	-	-	-
Revision of previous estimates	4.2	4.1	6.0
As of 31 December 2023	**23.7**	**34.8**	**49.0**

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Production	-4.8	-4.8	-4.8
Acquisitions	4.2	6.6	9.2
Divestments	-1.0	-1.2	-1.4
Extensions and discoveries	-	-	-
New developments	2.9	7.6	14.4
Revision of previous estimates	2.7	1.9	-0.4
As of 31 December 2024	**27.7**	**44.9**	**66.0**

The reserves are according to the Annual Statement of Reserves and Resources (ASRR), as published by DNO ASA, dated 02 April 2025. The reported reserves fall within class 1-3 of the Norwegian Offshore Directorate (NOD) classification and 2C resources fall within classes 4-7.

International petroleum consultants RPS Energy Consultants (RPS) carried out an independent assessment of DNO reserves in Norway and the UK. Contingent resources in Norway are reported based on numbers published by the NOD.

DNO's reserves and contingent resources are estimated and classified by the Company in accordance with the rules and guidelines of the Society of Petroleum Engineers (SPE) and are in conformity with requirements from the Oslo Stock Exchange for the reporting of reserves and resources. All estimates of reserves and resources involve uncertainty.

Important factors that could cause actual results to differ from the estimates include, but are not limited to: technical, geological and geotechnical conditions; economic and market conditions; oil and gas prices; changes in government regulations; political development; interest rates; and currency exchange rates. Specific parameters of uncertainty related to the field/reservoir include but are not limited to: reservoir pressure and porosity; recovery factors; water cut development; production decline rates; gas/oil ratios; and oil properties.

Changes in commodity prices and costs may impact economic cut-off and remaining reserves, which may change the timing of assumed decommissioning activities. Future changes to estimated reserves can also have a material effect on depreciation, impairment of oil and gas fields and operating results. The Company may also not be able to commercially develop its contingent resources that are used in impairment assessments or acquisition accounting where the fair value approach is applied.

Note 23 Significant events after the reporting date

DNO receives 13 awards in Norway's APA licensing round
On 14 January 2025, the Company was awarded participation in 13 exploration licenses, of which four are operatorships, under Norway's APA 2024 licensing round. Of the 13 new licenses, 10 are in the North Sea and three in the Norwegian Sea.

Discovery in the Mistral prospect
On 5 March 2025 DNO North Sea's parent company, DNO ASA, announced a gas/condensate discovery on the Mistral prospect in the Norwegian Sea license PL1119 in which the Company recently acquired a 10 percent interest. Preliminary estimates of gross recoverable resources encountered are in the range of 19-44 million barrels of oil equivalent. In addition to DNO, license partners include Equinor Energy AS (50 percent and operator), OKEA ASA and Pandion Energy AS (20 percent each).

Acquisition of Sval Energi Group AS
On 7 March 2025 DNO North Sea's parent company, DNO ASA, announced it has reached agreement to acquire 100 percent of the shares of Sval Energi Group AS from HitecVision for a cash consideration of USD 450 million based on an enterprise value of USD 1.6 billion. The transaction includes non-operated interests in 16 producing fields offshore Norway, with the largest assets being Nova, Martin Linge, Kvitebjørn, Eldfisk, Maria, Symra and Ekofisk. The acquisition was completed on the 12th of June and was financed with existing cash and other debt financing facilities available to DNO.

Discovery in the Kjøttkake prospect
On 26 March 2025 DNO North Sea's parent company, DNO ASA, announced a discovery in Northern North Sea license PL1182 S in which the Company holds a 40 percent operated interest. The well was drilled in the first quarter of 2025. Preliminary estimates of gross recoverable resources encountered are in the range of 39 to 75 million barrels of oil equivalent (MMboe). License partners include Aker BP ASA (30 percent), Concedo AS and Japex Norge AS (15 percent each).

Dry well in the Horatio prospect
On 26 March 2025, a dry well was announced on the Horatio prospect in the Northern North Sea license PL1109 in which the DNO North Sea holds a 20 percent operated interest. The well was drilled in the first quarter of 2025.

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Geir Johannessen	15.04.2015	24.04.2015
Telefon	Deres referanse	Vår referanse
22 07 73 25/22 66 11 14	Jon Håkon Østhus	2015/377895

ERNST & YOUNG AS
Postboks 20 Oslo Atrium
0051 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 15. april 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fra og med regnskapsåret som ble avsluttet 31. desember 2014 for følgende selskaper:

Origo Exploration AS, org.nr. 913 905 792
Origo Exploration Norway AS, org.nr. 913 905 881
Origo Exploration Holding AS, org.nr. 813 547 872

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering ovennevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fra og med regnskapsåret 2014, jf. regnskapsloven § 3-4 tredje ledd.

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

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

Bakgrunn
Selskapene ble etablert i 2014 av personer med lang erfaring fra leteaktivitet og produksjon i Norge og UK, og driver i dag letevirksomhet både i Norge og i UK (via datterselskap registrert i UK). Letevirksomheten ligger i Origo Exploration Norway AS, mens de to andre selskapene er en del av selskapsstrukturen i konsernet. Engelsk er det klart dominerende språket innen oljebransjen, og konsernets arbeidsspråk er engelsk. Styrene i selskapene har i hovedsak engelskspråklige medlemmer. Det er ingen forhold rundt selskapenes finansiering som skulle tilsi behov for regnskap på norsk, da selskapene ikke har vesentlig ekstern gjeld, med unntak av letefasilitet. Det er avtalt med bankene at dokumentasjon knyttet til denne letefasiliteten skal være på engelsk. Eierne av norsk konsernspiss består i hovedsak av utenlandske aktører.

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

Postadresse	Besøksadresse:	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org.nr: 996250318	Telefaks
	E-post: skatteetaten.no/sendepost	22 17 08 60

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

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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene driver virksomhet innen en internasjonal bransje der alle vesentlige aktører behersker og benytter engelsk språk, og at arbeidsspråket i konsernet i stor grad er engelsk. Videre er det vektlagt at eierne til den norske konsernspissen i hovedsak er utenlandske aktører.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
Seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Geir Johannessen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer