

NORAM DRILLING

ANNUAL REPORT 2022

NORAM DRILLING AS

24 May 2023

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General Information

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

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

Accounting and Auditing

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

NorAm Drilling Company performs its own accounting.

Alternative Performance Measurement (APM)

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

THIS IS NORAM DRILLING GROUP

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

The Company was established in 2007, and at year-end 2022 the Group’s fleet consisted of 11 “super spec” rigs located in the Permian Basin.

The Company Structure

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

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

Our Offices

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

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

Organization and Operations

Marty Jimmerson has served as Chief Executive Officer and Chief Financial Officer since joining the Company in January 2017. Thomas Taylor has served as Chief Operating Officer since November 2014 and has been with the Company for 13 years. Mr. Jimmerson and Mr. Taylor fulfil their roles for both NorAm Drilling AS and NorAm Drilling Company.

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

Board of Director's Report

Nature of the business activities and where conducted

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

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

2022 Developments

MARKET and CONTRACTS

WTI began 2022 around \$75 per barrel and finished 2022 near \$80 per barrel. WTI reached a high of \$120 per barrel in June 2022 and a low of \$71 per barrel in early December 2022. WTI is currently trading around \$73 per barrel.

As of May 19, 2023, the US land drilling active rig count and Permian rig count was 697 and 349, respectively. As of December 31, 2022, the US land drilling active rig count and Permian rig count was 762 and 353, respectively. In comparison, as of December 31, 2021, the US land drilling active rig count and Permian rig count was 570 and 293, respectively. We currently have all eleven rigs under contract.

CARES ACT

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief, and Economic Security (CARES) Act." On May 5, 2020, we entered into an unsecured loan in the aggregate principal amount of MUSD 5.5 pursuant to the Paycheck Protection Program which is part of the CARES Act Initiatives. This loan was forgiven in full on May 11, 2021.

On December 27, 2020, an additional COVID-19 Pandemic Relief Bill was approved. This bill authorized another round of PPP loans ("second draw PPP loans"). On February 5, 2021, we entered into a second PPP loan in the aggregate principal amount of MUSD 2.0. This loan was forgiven in full in October 2021.

As a result of the COVID-19 pandemic, and as part of the Cares act, NorAm Drilling applied for support relating to the Employee Retention Tax Credit (ERTC) which is a payroll credit available from March 12, 2020 through September 30, 2021 for a total amount of approximately MUSD 4.0. The company received approximately MUSD 1.0 in 2Q 2022 and MUSD 1.6 in 3Q 2022. The Company received approximately MUSD 1.4 in January 2023 related to the final remaining outstanding ERTC payroll credit mentioned herein.

SHARE LISTING and DIVIDENDS

On October 7, 2022, the Company's shares commenced trading on the Euronext Growth Oslo exchange under the ticker "NORAM" following the successful equity raise of approximately MUSD 75 of gross proceeds. The Company issued 19,748,676 new shares in connection with the listing and receipt of gross proceeds. The proceeds from the listing in combination with cash on hand was used to repay an outstanding bond of MUSD 80.0 and accrued interest of MUSD 3.2 on November 14, 2022. The Company is debt free and paid its initial monthly dividend in December 2022 of MUSD 4.4 or NOK 1.00 per share in December 2022. The Company has also paid MUSD 22.5 or approximately NOK 5.50 per share after December 31, 2022. The dividend distributions were made from the Company's contributed surplus account which consists of previously paid in share premium transferred to the Company's share premium account. The Company intends to pay future dividends based upon maintaining a minimum liquidity of approximately MUSD 11.

COMPANY DEVELOPMENT, RESULTS and FINANCING

NorAm had revenue of MUSD 95.4 during the twelve months of 2022 compared to MUSD 50.4 during the twelve months of 2021. During the twelve months of 2022 we generated operating profit of MUSD 6.9 compared to an operating loss of MUSD 12.3 in the twelve months of 2021. During the twelve months of 2022 we generated ADJUSTED EBITDA of MUSD 26.1 compared to MUSD 6.0 in the twelve months of 2021. During the twelve months of 2022 we generated cash flow from operational activities of MUSD 16.0 compared to a negative MUSD 2.0 in the twelve months of 2021. The increase in revenue, operating profit, ADJUSTED EBITDA and cash flow from operational activities is primarily due to improvement in industry activity that commenced in late 2021 that resulted in higher average dayrates and fleet utilization in 2022 as we reactivated all of our rigs during 2022.

Capital expenditures were MUSD 3.4 in the twelve months of 2022, compared to MUSD 3.4 in 2021. As of December 31, 2022, our cash position was MUSD 13.1. As mentioned above, we raised approximately MUSD 75.0 of gross proceeds from the listing of our shares in October 2022 and in combination with cash on hand the listing proceeds were used to repay an outstanding bond of MUSD 80.0 and accrued interest of MUSD 3.2 in November 2022. The Company is debt free and paid its initial monthly dividend in December 2022 of NOK 1.00 per share.

On November 21, 2022, the Company's subsidiary entered into a loan agreement with a U.S. based bank for a Revolving Promissory Note ("Revolver") of MUSD 4.5. Use of proceeds for any borrowings under this Revolver are available for working capital and general corporate purposes. The Revolver is secured by accounts receivable and is expected to be utilized to reduce the Company's

need for liquidity on the balance sheet. There were no borrowings outstanding under the Revolver as of December 31, 2022.

The parent company NorAm Drilling AS had total operating income of MUSD 0.1 in 2022, the same as for 2021. Operating expenses increased to MUSD 1.2 in 2022 compared to MUSD 0.7 in 2021, primarily due to bond amendment fees. The company had a net income before tax of MUSD 10.2 in 2022, compared to a net loss of MUSD 7.8 in 2021. The main driver for the positive result is due to interest income on intercompany notes payable from its operating subsidiary and lower interest expense as a result of the repayment of its outstanding MUSD 80 bond.

On May 16, 2022, the Company and holders of the Bond loan agreed to the following amendments: (i) extend the maturity date from June 3, 2022, to June 3, 2023; (ii) schedule a principal installment of MUSD 5.0 on December 3, 2022; (iii) amend the prepayment structure to allow for partial prepayments at par value at a minimum of MUSD 5.0; and (iv) pay an amendment fee of USD 400,000.

KEY FINANCIAL FIGURES

	<u>2022</u>	<u>2021</u>
MUSD		
Revenue	95.4	50.4
Operating Profit	6.9	(12.3)
Net Profit before Tax	3.0	(19.5)
ADJUSTED EBITDA (1)	26.1	6.0

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

IMPAIRMENT ON FIXED ASSETS

Due to the uncertain market conditions, resulting from COVID-19 pandemic and oil production changes, we reviewed assumptions for the carrying values of our assets. This includes assumptions for development in dayrates, OPEX and other critical inputs were adjusted. The development in dayrates and rig utilization in 2020/2021 was considered as temporary setbacks, and not permanent changes, hence this is reflected in the Company's impairment model.

There is significant uncertainty relating to the recovery of the market, and the key inputs are therefore uncertain. The conclusion on the impairment calculation, based on information available and that dayrates and utilization have been better than projected, is that there is no need for impairment charges during 2021 or 2022. As of May 2023, all of our rigs were under contract. The actual dayrates and margins being earned on current contracts and the near-term outlook as a result of oil prices are all favorable compared to the assumptions used in our impairment analysis. Management and the board of directors will continue to follow the developments in the market closely and assess impairment continuously if expected future market conditions change.

FINANCING

On the balance sheet, the Group has equity of MUSD 82.0 equivalent to an equity ratio of 70.8% at year-end 2022, compared to MUSD 33.7 of equity and a 27.6% equity ratio at year-end 2021.

The Company's balance sheet at year end 2022 had equity of MUSD 175.8 and an equity ratio of 87.3%, compared to MUSD 120.0 of equity and a 58.7% equity ratio at year-end 2021.

In Q4 2021 the parent company refinanced the US subsidiary by converting MUSD 51.2 from debt to equity to ensure better financing of the US subsidiary.

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

The Company and Group has previously been financed through equity and a bond loan, see note 9 to the Financial Statements. On October 7, 2022, the Company's shares commenced trading on the Euronext Growth Oslo exchange under the ticker "NORAM" following the successful raise of approximately MUSD 75 of gross proceeds. The Company issued 19,748,676 new shares in connection with the listing. The proceeds from the listing in combination with cash on hand was used to repay an outstanding bond of MUSD 80.0 and accrued interest of MUSD 3.2 in November 2022. The Company is debt free and paid its initial monthly dividend in December 2022 of NOK 1.00 per share. The dividend distributions were made from the Company's contributed surplus account which consists of previously paid in share premium transferred to the Company's share premium account.

On November 21, 2022, the Company's subsidiary entered into a loan agreement with a U.S. based bank for a Revolving Promissory Note ("Revolver") of MUSD 4.5. Use of proceeds for any borrowings under this Revolver are available for working capital and general corporate purposes. The Revolver is secured by accounts receivable and is expected to be utilized to reduce the Company's need for liquidity on the balance sheet. There were no borrowings outstanding under the Revolver as of December 31, 2022.

CASH FLOW and LIQUIDITY

The cash position for the Group increased from MUSD 12.8 as of December 31, 2021, to MUSD 13.1 as of December 31, 2022.

For the Norwegian parent company, the cash position increased from MUSD 1.4 to MUSD 1.7.

KEY RISKS and UNCERTAINTIES

The Group and the Company are exposed to a number of risk factors when performing its activities, such as market risk, operational risk, credit risk and liquidity risk. Dayrates for land rigs in the US improved significantly during the 2022 and continued to strengthen through Q1 2023. Despite possible near-term pressure on dayrates as a result of WTI and natural gas price volatility, while seeing some softness on recent contract renewals, we remain encouraged that market fundamentals are intact and will continue to improve later in 2023 and into 2024. The Company's and the Group's key operational risks are comprised to a large extent of (i) global oil demand, (ii) China reopening, (iii) Russian

invasion of Ukraine, (iv) OPEC+ maintaining and complying with appropriate supply targets, (v) operating discipline demonstrated by US E&P operators, (vi) supply and demand activity for US and Permian land rigs, (vii) availability and costs of labor, equipment and rig supplies and (viii) any possible regulatory changes issued by the US government.

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

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

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

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

BUSINESS OUTLOOK

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

By growing the Group's rig fleet from three rigs in 2009 to eleven "Super Spec" rigs by 2021, the Group has taken important steps forward to become an important player in the US onshore drilling industry.

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

A key driver for financial results in 2023 will ultimately be the continued price development of crude oil and natural gas prices which impacts capital spending by the US energy producers.

Key targets for 2023:

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

FUTURE DEVELOPMENT

Dayrates and utilization outlook

All eleven rigs are currently located in the Permian Basin. Our current drilling contract status as of May 23, 2023 is as follows:

- Rig 21 – on contract pad-pad
- Rig 22 – on contract through July 2023
- Rig 23 – on contract through September 2023
- Rig 25 – on contract through June 2023
- Rig 26 – on contract through June 2023
- Rig 27 – on contract through August 2023
- Rig 28 – on contract through June 2023
- Rig 29 – on contract through June 2023
- Rig 30 – on contract pad-pad
- Rig 32 – on contract through June 2023
- Rig 34 – on contract through August 2023

Subject to key risks and uncertainties mentioned in this report, we currently expect continued strong demand for high end “super spec” drilling rigs in the Permian. Natural gas prices have declined from \$7.0 per MMBtu as of November 2022 to \$4.5 per MMBtu as of December 31, 2022. Natural gas prices have declined further in early 2023 and is currently trading at approximately \$2.35 per MMBtu. Current natural gas prices have resulted in some E&P operators reducing their near-term drilling plans which has resulted in some land rigs being released in gas plays such as the Haynesville and Eagle Ford basins. Some of these rig releases increased the available supply of “super spec” rigs in the Permian basin and could our impact the near-term outlook.

The Board expects to maintain the Group’s strong safety record and low TRIR consistent or better than industry averages.

Operating expenses

Combined with focus on our rig personnel staffing levels and effectively managing our other daily operating costs we were able to maintain rig operating costs and maintenance capital expenditures during 2022 and in line with our expectations.

During 2021, we reinstated the wage reduction implemented in 2020. Additionally, we increased wages on January 1, 2022 in order to retain and recruit employees and remain competitive with other drilling contractors' pay rates. We also experienced price increases during 2022 in other rig supplies as supply chain constraints increased. We have successfully passed along these increases in labor and rig supplies to our customers. Although supply chain issues have improved during 2022, we could incur additional increases in costs of supplies and challenges procuring supplies and materials in the near term. While our contracts generally allow us to pass along cost increases, we can not be certain that any future increases in costs will not negatively impact our operating margins and/or rig activity.

RESEARCH and DEVELOPMENT ACTIVITIES

Neither the Company nor the Group had research and development expenses in 2022.

GOING CONCERN

The Board considers the Financial Statements for 2022 to represent a true and fair view of the development and results of the Company's and Group's operations and accounts as of December 31, 2022. The Board confirms that going concern assumptions are satisfied as to the standards set by the Norwegian Accounting Act and which has formed the basis for the financial statements presented herein for the Company and the Group. This is based on the Boards expectations relating to market conditions going forward, with increased dayrates and utilization expected to continue to gradually recover over the next few years.

WORKING ENVIRONMENT

As of December 31, 2022, the Group had an operational organization of 302 people including three working at the administration office in Houston.

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

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

The absentee rate was minimal. There were no property damage incidents in 2022.

NorAm Drilling AS has no employees during 2022, hence no sick leave. No serious occupational accidents or incidents have been experienced over the year, whether in the parent company or in the subsidiaries.

EQUAL OPPORTUNITIES

The Group and the Company target to be an employer to promote equality for all employees' regardless of nationality, sex, skin color, language or religion. This is true for recruiting new people, for salary and bonus schemes, working relations, promotions and protection against harassment. Women will be encouraged to apply for posted available positions in order to increase the representation of both sexes in the organization. At the end of 2022, the Group had three women employed. There will be no discrimination between men and women regarding recruitment, salaries in relation to position/competence, or promotion, or any other aspect of the Group's activities.

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

During 2022 the group has had no involuntary part-time employees, and no persons have been on leave of absence.

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

EXTERNAL ENVIRONMENT

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

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

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

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

The Group will publish a human rights statement in line with the Norwegian Transparency Act reporting requirements by 30th June 2023.

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

Signature of the Board, May 24, 2023


Ole B. Hjertaker
Chairman

Gunnar Eliassen
Board member

Christopher Baker
Board member

Marty Jimmerson
Chief Executive Officer

Signature of the Board, May 24, 2023


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Ole B. Hjertaker
Chairman

DocuSigned by:

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Gunnar Eliassen
Board member

DocuSigned by:

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Christopher Baker
Board member


Marty Jimmersøn
Chief Executive Officer

NorAm Drilling AS

INCOME STATEMENT
(Amounts in USD 1,000)

NorAm Group

2022	2021	Note	Note	2022	2021
-	-	2 Sales	2	95,446	50,382
110	110	Other operating income		-	-
110	110	Total operating income		95,446	50,382
197	77	2 Payroll Expenses	2	29,449	19,751
-	-	Depreciation of tangible and intangible assets	8	18,879	18,307
-	-	Rig mobilization, service and supplies		26,096	16,388
-	-	Insurance rigs and employees		5,833	3,959
1,008	575	3 Other operating expenses	3	8,306	4,281
1,205	652	Total operating expenses		88,562	62,687
				-	-
-1,095	-542	Operating profit (+) / loss (-)		6,884	-12,305
15,274	-	4, 9 Interest income from group companies			
263	0	4 Other interest income	4	402	0
2,069	49	4 Other financial income		2,069	49
6,158	7,200	4 Other interest expenses	4	6,158	7,200
171	66	4 Other financial expenses	4	186	79
11,277	-7,217	Net financial items		-3,873	-7,229
10,182	-7,759	Profit(+)/Loss(-) before income tax		3,011	-19,534
-216	-686	5 Income tax expense	5	34	-701
10,398	-7,073	Net profit(+)/Loss(-)		2,978	-18,834

NorAm Drilling AS

BALANCE SHEET
(Amounts in USD 1,000)

NorAm Group

2022	2021	Note	Note	2022	2021
ASSETS					
Non-current assets					
Intangible assets					
-	-			-	-
Tangible assets					
-	-		7	86,312	101,918
-	-		7	258	170
-	-			86,569	102,087
Financial assets					
84,788	84,557	8		-	-
115,481	118,307	9		-	-
200,268	202,864			-	-
200,268	202,864			86,569	102,087
Current assets					
Receivable					
-	0			14,802	6,143
-768	14			1,336	1,060
-768	14			16,138	7,203
Cash and cash equivalent					
1,750	1,445	10	10	13,098	12,782
1,750	1,445			13,098	12,782
982	1,458			29,236	19,985
201,250	204,322			115,806	122,073

NorAm Drilling AS

BALANCE SHEET
(Amounts in USD 1,000)

NorAm Group

2022	2021	Note	Note	2022	2021
EQUITY & LIABILITIES					
Equity					
Owners equity					
12,547	8,839	11	11	12,547	8,839
136,573	94,860	11	11	136,573	94,860
439	439	11	11	369	369
149,559	104,138			149,489	104,068
Accumulated profits					
26,201	15,897	11	11	-67,456	-70,339
26,201	15,897			-67,456	-70,339
175,760	120,035			82,033	33,729
Liabilities					
1,098	1,314	5	5	1,746	1,962
1,098	1,314			1,746	1,962
Non-current liabilities					
0	80,000	12	12	0	80,000
0	0		9	0	0
0	80,000			0	80,000
Current liabilities					
20	2,160			4,607	2,996
-	-	5	5	250	-
267	151			267	151
24,106	662	9	9	26,904	3,236
24,393	2,973			32,027	6,382
25,490	84,287			33,773	88,344
201,250	204,322			115,806	122,073

Oslo, 24.05.2023

Ole Bjarte Hjertaker
Chairman

Christopher Baker
Board member

Gunnar Eliassen
Board member

Marty Jimmerson
CEO

CONSOLIDATED 2022 REPORT



NorAm Drilling AS

BALANCE SHEET
(Amounts in USD 1,000)

NorAm Group

2022	2021	Note	Note	2022	2021
EQUITY & LIABILITIES					
Equity					
Owners equity					
12,547	8,839	11	11	12,547	8,839
136,573	94,860	11	11	136,573	94,860
439	439	11	11	369	369
149,559	104,138			149,489	104,068
Accumulated profits					
26,201	15,897	11	11	-67,456	-70,339
26,201	15,897			-67,456	-70,339
175,760	120,035			82,033	33,729
Liabilities					
1,098	1,314	5	5	1,746	1,962
1,098	1,314			1,746	1,962
Non-current liabilities					
0	80,000	12	12	0	80,000
0	0		9	0	0
0	80,000			0	80,000
Current liabilities					
20	2,160			4,607	2,996
-	-	5	5	250	-
267	151			267	151
24,106	662	9	9	26,904	3,236
24,393	2,973			32,027	6,382
25,490	84,287			33,773	88,344
201,250	204,322			115,806	122,073

Oslo, 24.05.2023

DocuSigned by:

Ole Bjarne Hjertaker

Chairman

DocuSigned by:

Gunnar Eliassen

Board member

DocuSigned by:

Christopher Baker

Board member

Marty Jimmerson

CEO

NorAm Drilling AS		STATEMENT OF CASH FLOW (Amounts in USD 1,000)	NorAm Group	
2022	2021		2022	2021
10,182	-7,759	Profit(+)/Loss(-) before income tax	3,011	-19,534
-	-	Tax paid for the period	-	425
-	-	Depreciation of fixed assets	18,879	18,307
-	-	Change in accounts receivable	-8,659	-1,720
2,140	2,109	Change in accounts payable	1,611	1,665
-2,472	-1,574	Change in other current balance sheet items	1,206	-1,104
9,850	-7,224	Net cash flow from operational activities	16,048	-1,961
-	-	Purchase of tangible fixed assets	-3,361	-3,376
2,826	7,700	Received payment on loans to group companies	-	-
2,826	7,700	Net cash flow from investing activities	-3,361	-3,376
72,004	-	Issued capital	72,004	-
-4,375	-	Dividends	-4,375	-
-80,000	-	Repayment of long term debt	-80,000	1,782
-12,371	-	Net cash flow from financing activities	-12,371	1,782
305	476	Net change in cash and cash equivalent	316	-3,555
1,445	969	Cash and cash equivalents opening balance	12,782	16,337
1,750	1,445	Cash and cash equivalents closing balance	13,098	12,782