

# **INTERIM REPORT**

for the second quarter  
and first half year 2025



**north**  
energy

## Quarterly highlights

- **Net Asset Value (NAV) increased compared to the same quarter last year.** NAV at the end of the quarter was NOK 589.0 million, representing an increase of 6.2% from last quarter and 3.0% from same quarter last year, both adjusted for dividends paid.
- **North Energy distributed a total dividend of NOK 17.6 million.** In April, the General meeting approved a dividend of NOK 0.15 per share in line with the Company's dividend policy of around 3% of NAV.
- **Reach Subsea distributed a dividend of NOK 0.42 per share.** The dividend was paid to shareholders in June, whereof North Energy, based on its ownership, received NOK 21.3 million.

## Key figures

NOK mln	Q2 2025	Q2 2024	Year 2024
Operating profit	6.2	-2.8	53.6
Comprehensive income	8.0	-1.7	58.1
Investments	306.7	324.7	268.8
Total assets	418.7	334.8	374.7
Equity ratio (%)	83%	96%	98%
Interest bearing debt	46.6	7.1	0.0

## Financial information

The figures represent the consolidated financials for the Group consisting of North Energy ASA and the subsidiaries North Industries 1 AS and North Industries 2 AS.

### Second quarter 2025 result

North Energy recorded a comprehensive income of NOK 8.0 million (NOK 1.7 million loss in the second quarter of 2024). The increase from last year is mainly driven by improved results from the financial portfolio.

Operating expenses this quarter were reported at NOK 5.2 million (NOK 4.5 million). Payroll and related expenses in the second quarter were NOK 3.1 million (NOK 2.5 million), while other operating expenses were NOK 1.7 million (NOK 1.6 million).

Changes in the fair value of financial investments amounted to NOK 3.2 million (NOK -13.2 million), with the improvement explained by more favorable capital markets this year compared to the same period last year.

Net results from investments in associates were NOK 8.2 million (NOK 14.9 million). North Energy's share of the net results from Reach was NOK 10.9 million (NOK 16.1 million). The share of results from WCS was NOK -2.8 million (NOK -1.3 million).

Net financial items were NOK 1.8 million (NOK 1.1 million), with the improvement explained by higher net positions in cash and interest-bearing securities.

Income tax of NOK 0.1 million is related to withholding tax on dividends received from the foreign company Fugro N.V.

### Balance sheet

Total assets at the end of the quarter were NOK 418.7 million (NOK 334.8 million at the end of second quarter 2024). The increase is mainly explained by an increase in cash of NOK 106.6 million, an increase in the book value of associated companies of NOK 3.7 million,

partly offset by a decrease in financial investment of NOK 21.7 million.

The investment in Reach Subsea is accounted for as an associated company with a book value of NOK 204.7 million (NOK 194.9 million). The year-over-year increase in book value is driven by North Energy’s share of comprehensive income of NOK 40.9 million, offset by loss on deemed disposal of NOK 9.8 million and dividend received of NOK 21.3 million.

The investment in Wind Catching Systems is accounted for as an associated company as well with a book value of NOK 14.0 million (NOK 20.5 million). The reduction in book value is driven by North Energy’s share of the comprehensive loss of NOK 6.5 million.

Total equity at the end of the quarter was NOK 348.7 million (NOK 320.8 million), with the increase explained by total comprehensive income of NOK 43.8 million offset by distribution of dividend of NOK 17.6 million. The Company’s equity ratio stood at 83.3 percent at the end of the second quarter.

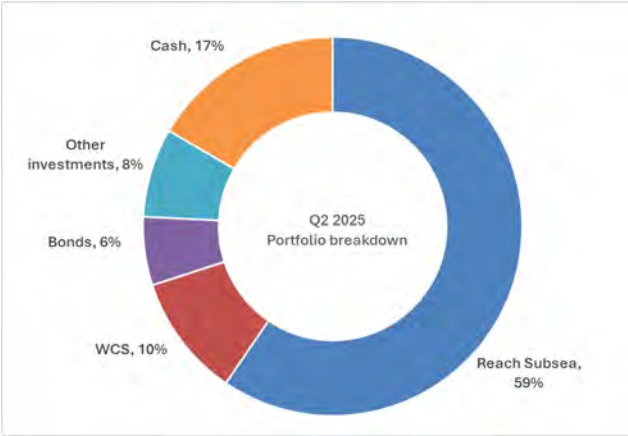
Cash at the end of the quarter was NOK 108.9 million (NOK 2.2 million), as most of the financial investments were realized during the fourth quarter last year. The credit facility was utilized with NOK 46.6 million at the end of the quarter (NOK 7.1 million), hence the net cash position was NOK 62.3 million. Available liquidity was NOK 162.3 million, which includes unutilized credit facility of NOK 53.4 million.

The Board regards the Company’s financial position as solid.

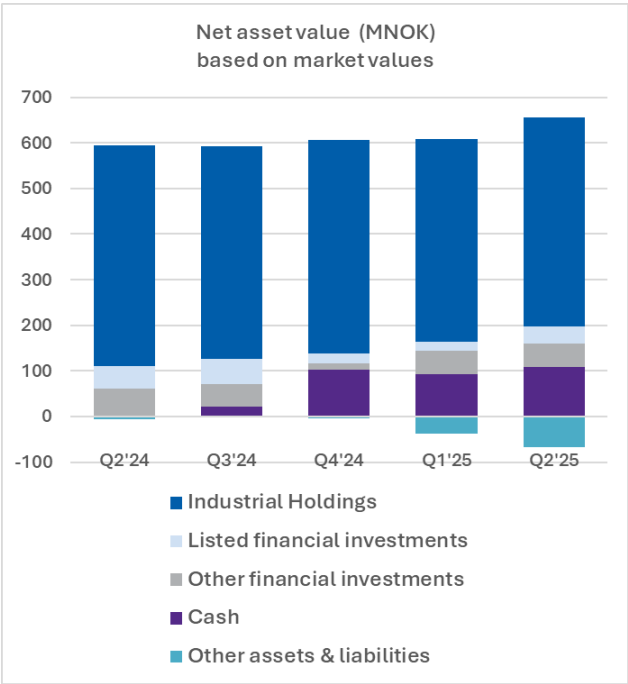
Net asset value composition

At the end of the quarter, the total market value of our investments amounted to NOK 547.0 million (NOK 592.6 million). Among the industrial holdings, the value of our shareholding in Reach Subsea has decreased by NOK 24.4 million to NOK 390.4 million, while the value of our shareholding in Wind Catching Systems is constant at NOK 68.7 million. The value of our financial investments of NOK 82.7 million (104.5

million) has been reduced as, during the last 12 months, we realized our investments in Touchstone Exploration, Thor Medical, and Heimstaden bonds. Main financial investments at the end of second quarter 2025 are Petrofac Ltd. bonds of NOK 38.0 million, Fugro N.V. shares of NOK 35.3 million and Interoil Exploration bonds of NOK 8.6 million.



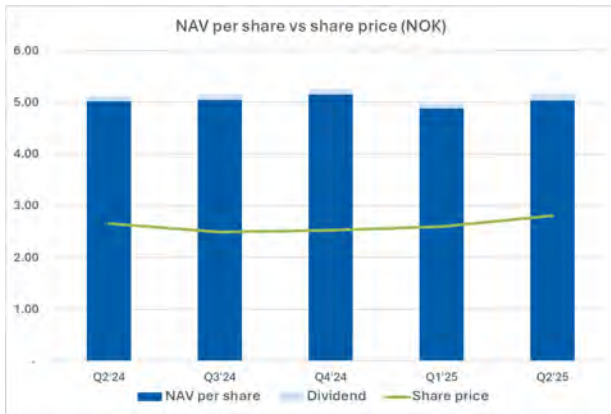
Including cash of NOK 108.9 million (NOK 2.2 million) and net other assets and liabilities of NOK -66.9 million (NOK -6.1 million), the net asset value for the company was NOK 589.0 million (NOK 588.8 million). Adjusted for dividends paid of NOK 17.6 million, the net asset value increased by 6.2% during the last 12-month period.





## NAV per share vs. share price

The net asset value per share was NOK 5.02 while the share price at the end of the quarter was NOK 2.81, representing a discount of 44% compared to the net asset value per share.



## Investments

### Industrial holdings

#### Reach Subsea ASA

The main industrial investment is the shareholding in Reach Subsea ASA where North Energy has two representatives on the Board of Directors. The investment is held by the subsidiary North Industries 1 AS. The ownership for North Energy at the end of the first quarter is 15.5% and the investment is reported as an associated company.

The Group expects to continue as a major shareholder in Reach Subsea ASA and further develop the company as a leading subsea service provider, offering solutions to gather and deliver subsea data and solutions for maintaining the integrity of the client's subsurface equipment and infrastructure.

For the second quarter Reach reported an EBIT of NOK 91.1 million (NOK 121.1 million). The decline from last year is primarily driven by lower utilization as market uncertainty in the wake of the US tariff turmoil influenced client decision making.

Reach announces that long-term demand for its services remains robust across all segments, driven by high subsea development activity, increasing demand

for actionable subsea data, and spending on maintenance of a growing installed base of subsea infrastructure. However, in the short term some demand weakness should be expected, driven by lower energy prices and headwinds in sanctioning of offshore wind projects. Going forward the company highlights that focus will be on:

- Scaling remote operations across both USV and conventional subsea spreads.
- Expanding the footprint in high-growth and emerging subsea sectors.
- Delivering integrated services that combine the company's technology, operational excellence, and add client value.

The company is well positioned for the future, with key strategic capabilities in place, a solid plan in place for reshaping the delivery model, with a strong market outlook, and backed by a strong financial position. After quarter end Reach successfully placed its inaugural bond issue, thereby opening access to another capital source and boosting liquidity by NOK 500 million.

The company is listed on the Oslo Stock Exchange and as of the end of the first quarter, the company had a market capitalization of NOK 2 514 million.

#### Wind Catching Systems AS

The second industrial investment is the shareholding in Wind Catching Systems AS where North Energy has one member and one observer on the Board of Directors. The investment is held by the subsidiary North Industries 2 AS. The ownership interest of North Energy at the end of the second quarter is 22.0% and the investment is reported as an associated company.

Wind Catching Systems (WCS) holds a new innovative technology for floating offshore wind systems ("WCS technology"). The WCS units are designed for all weather conditions, with the potential to produce electricity at a significantly lower cost and with substantially less use of space than any other known technology today. WCS works with well-known suppliers like e.g. Aibel to develop and commercialize the WCS technology.

During the second quarter WCS has progressed the demonstration project located offshore Øygarden on the west coast of Norway. The company is onboarding a network of reputable suppliers and consultants and expects to add additional suppliers during Q3 and Q4. “The Norwegian Water Resources and Energy Directorate” (NVE) has not yet issued the final EIA program which will form the basis of the license application. WCS expected to receive this before the summer, but due to internal priorities, NVE has now delayed this to mid-Q3. Based on the final EIA program WCS anticipates submitting the licensee application for the demonstration project in late Q3 – early Q4.

In parallel, the company has made significant progress on the technical side. During the first half of 2025 WCS initiated a project with Aibel to optimize the floater structure for the demonstration project. This project has led to a substantial weight reduction, exceeding goals. This is important since a lower weight leads to less material use and lower construction costs, increasing the competitiveness of the technology.

## Financial investments

In the first quarter of 2025, the Company made a new investment in senior secured bonds issued by Petrofac Limited (“Petrofac”). Petrofac is a UK listed energy services company that delivers services and EPC projects to energy clients globally. At the end of last year, Petrofac announced the key terms of a Lock-Up Agreement and comprehensive financial restructuring with the purpose of establishing a sustainable balance sheet going forward. North Energy currently hold USD 18.8 million of nominal amount in Petrofac senior secured bonds purchased at an average cash price of less than 15%. Subject to the successful completion of the restructuring, the Company intends to subscribe for new debt and equity in an amount of approximately USD 4.4 million based on its current holding of senior secured debt.

While the restructuring plan was approved earlier in H1 2025, the Court of Appeal overturned the restructuring plan in July on narrow commercial grounds. The company is currently evaluating the ruling and analyzing

alternative ways to execute the restructuring. The company has secured an extension of the original lock-up agreement with its creditors until 30 November 2025. Petrofac will also apply to the UK Supreme Court for leave to appeal the earlier judgment issued on 1 July by the Court of Appeal. We will continue to follow and support the restructuring process and expect further progress to be made in H2 2025.

During the second quarter, the Company made a new investment in shares in Fugro N.V. (“Fugro”) the world’s leading geo-data specialist which collects and analyzes comprehensive information about the Earth and the structures built upon it. The company is listed on the Amsterdam Stock Exchange with a market capitalization of approximately EUR 1.3 billion.

Fugro has world leading expertise in both site characterization and asset integrity, and supports clients in the safe, sustainable and efficient design, construction and operation of their assets throughout the full lifecycle. Fugro has both marine and land-based operations and performs a wide range of services, including both geotechnical and geophysical surveys, as well as a range of ancillary services. Fugro N.V.’s main client segments are renewables (37.9% of revenue), oil & gas (37.5%), infrastructure (21.2%) and water (3.4%).

Fugro’s financial results for H1 2025 were affected by project delays and deferrals leading to weaker financial results as well as a substantial share price decline. Despite the weaker first half, the company expects strong recovery in H2 2025, and we believe the shares offer compelling long-term value at current levels.

As of Q2 2005 the financial investments have a total market value of NOK 82.7 million where the main investments are Petrofac Ltd (38.0 million), Fugro N.V. (NOK 35.3 million), and InterOil Exploration (NOK 8.6 million). After quarter-end we have further increased our position in Fugro and currently hold 400.000 shares with a total market value of NOK [54.3] million.

## Strategy and outlook

The second quarter of 2025 was characterized by significant volatility and a dramatic rebound in global financial markets. After a sharp decline in April, equity markets recovered strongly to end the quarter at new all-time highs largely driven by a combination of geopolitical tensions, shifting trade policies, and surprisingly strong corporate earnings.

The quarter was impacted by the chaotic rollout and subsequent partial suspension of new U.S. tariffs. This policy uncertainty caused significant market anxiety, but the eventual de-escalation of tensions fueled the market recovery.

The global economic outlook for the remainder of 2025 is characterized by a mix of cautious optimism and significant uncertainty. While there are signs of resilience, particularly in the face of recent market volatility, several persistent risks could impede growth. Inflation is expected to fall in most major economies, with some central banks already starting to cut interest rates.

We still believe that global energy consumption is likely to rise for many years to come. As we have previously highlighted the transition towards a decarbonized energy system has met with substantial challenges over the last years and the timing of an energy transition is still an open question. Regardless demand for energy keeps rising and the latest emerging trend likely to drive further demand is the strong growth in datacenters driven by demand from hyperscalers and AI. Over the next few years energy demand from datacenters is projected to increase by 15-20% per year. This trend is likely to persist for many years to come and possibly accelerate as AI evolves and new trends like self-driving vehicles and robotics emerge as a key part of industrialized societies. All these new technologies require substantial energy which is likely to be met by a combination of both new and existing energy sources.

North Energy continues to develop the company in accordance with our long-term strategy as an industrial investment company. As such, we are continuously evaluating new opportunities to expand our industrial

portfolio. Regardless, we will take a disciplined and opportunistic approach and will pursue investments only to the extent that they meet our long-term investment return objectives.

For further elaboration of the Company's strategy, reference is made to the Company's webpage: [www.northenergy.no](http://www.northenergy.no)

# Report for the first half of 2025

## Review

The first half of 2025 was marked by a continued disinflationary trend globally, although the pace and drivers varied significantly across regions. The global headline inflation rate continued its decline from the peaks of recent years. A significant new factor influencing inflation was the rise in trade barriers and heightened policy uncertainty, particularly with new tariffs being implemented or threatened by major economies. This created a complex dynamic, with the potential for tariffs to increase the costs of imported goods and services, thus putting upward pressure on inflation. The outlook for the second half of 2025 is characterized by persistent uncertainty and a more complex set of risks. Global inflation is still expected to moderate further, with some forecasts projecting global headline inflation to fall to around 3.0-3.6% for the full year.

In May 2025 the General Assembly of Reach Subsea approved the proposal from the Board of Directors to distribute a dividend of NOK 0.42 per share. The dividend was paid to shareholders in June, whereof North Energy, based on its ownership, received NOK 21.3 million.

In the first quarter WCS won the “Competition for Support for Small Scale Commercial Floating Offshore Wind Projects”. The grant amount is NOK 1 200 million (€ 102 million) and was awarded from the Norwegian state through Enova. The grant was awarded to WCS’ subsidiary Wind Catching Demo AS (“WCD”) and is a project finance grant to support a final investment decision (FID) on the first phase of the Wind Catching demonstrator project off the Norwegian coast.

The final EIA program from “The Norwegian Water Resources and Energy Directorate” (NVE), which will form the basis of the license application expected during Q2 2025 is now delayed to mid-Q3 2025 due to internal priorities in NVE.

North Energy’s investment portfolio has at the end of June 2025 a market value of NOK 547 million. The Company’s main investments are a 15.5 percent ownership in Reach Subsea with a market value of NOK 390.4 million and a 22.0 per cent ownership in Wind Catching Systems with a market value of NOK 68.7 million at the end of June 2025. In addition, the Company has made new investment during the first half year in Petrofac Ltd with a market value of NOK 38.0 million and Fugro N.V. with a market value of NOK 35.3 million at the end of June 2025.

## Financial

As per first half 2025, North Energy reported comprehensive loss of NOK 1.3 million compared to an income in the first half of 2024 of NOK 11.4 million. The loss this year derives mainly from operating expenses of NOK 18.6 million (NOK 10.6 million) offset by positive change in fair value of financial investments of NOK 6.9 million (NOK 42.6 million) and positive result from investment in associates of NOK 6.7 million (NOK 14.5 million).

Payroll and related expenses were NOK 14.5 million in first half of 2025 (NOK 8.8 million). The increase is due to an increase in bonuses and remuneration of employees.

Other operating expenses were NOK 3.3 million in first half of 2025 (NOK 2.7 million). The increase is mainly due to increased administrative expenses.

As per 30 June 2025, North Energy reported total assets of NOK 418.6 million (NOK 334.8 million). This includes financial investments of NOK 306.7 million (NOK 324.7 million) as well as cash of NOK 108.9 million (NOK 2.2 million) and other assets of NOK 3.1 million (NOK 7.9 million). The assets are financed by 83.3 percent equity (95.8 percent). As of the end of the first half 2025 the current borrowing was NOK 46.6 million (NOK 7.1 million) while available liquidity was NOK 162.3 million (NOK 44.1 million), which includes cash and unutilized credit facilities.

North Energy reported cash of NOK 108.9 million at the end of the first half year. This is up from NOK 2.2 million

at the end of first half last year. The increase of 106.6 million is explained by increase in the utilization of the credit facility of NOK 42.8 million, dividend received from Reach Subsea of NOK 21.4 million, net proceeds from disposal of shares and bonds of NOK 84.0 million, offset by dividend payment of NOK 17.6 million, and cash used in operation of NOK 23.9 million.

## Risk assessment

North Energy's financial risk management is intended to ensure that risks of significance for the Company's goals are identified, analyzed and managed in a systematic and cost-efficient manner. The Company is exposed to risk in various areas, as described below.

Monitoring of risk exposure and assessment of the need to deploy financial instruments are pursued continuously.

**Operational risk.** North Energy is an enterprise where operational risk is closely related to its expertise. The Company therefore devotes attention to developing its expertise and organisation, and to its management systems.

**Market risk.** With the investment portfolio, North Energy is exposed to market risk involving the risk of changing conditions in the specific marketplace in which the Company makes investments. Sources of market risk include changes in market sentiment as well as recessions, political turmoil, changes in interest rates, natural disasters and terrorist attacks.

**Liquidity risk.** The Group's ongoing financing needs are forecasted on a continuous basis, and the level of activity is tailored to liquidity. The Company's primary source of funding has traditionally been equity, but since 2022, the Company has been utilizing a multicurrency credit facility with DNB, which gives the Company more flexibility when it comes to liquidity management.

**Interest rate risk.** The Company is only to some extent exposed to interest rate changes as the majority of the assets are financed through equity. However,

fluctuations in interest rates does affect the utilized amount of the credit facility with DNB.

**Credit risk.** The risk of bad debts is considered very low, since the Company's total outstanding receivables are at a very low level.

**Foreign exchange.** The Company is exposed to foreign exchange risk through its investments in foreign currency denominated securities. Foreign exchange risk related to the Company's operations is limited as there are limited operating expenses in foreign currencies compared to the past. North Energy does not use currency hedges for its investments in foreign currency denominated securities.



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## Statement from the Board of Directors and Chief Executive Officer

We confirm, to the best of our knowledge, that the unaudited condensed set of financial statements for the first half of 2025 has been prepared in accordance with IAS 34 Interim Financial Reporting and gives a true and fair view of the Group's assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Oslo, 26 August 2025

Anders Onarheim  
Chairman

Jogeir Romestrand  
Director

Elin Karfjell  
Director

Didrik Leikvang  
Co-CEO

Rachid Bendriss  
Co-CEO

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# Financial statements second quarter 2025

## CONSOLIDATED INCOME STATEMENT

NOK 1 000		Q2 2025 (unaudited)	Q2 2024 (unaudited)	YTD Q2 2025 (unaudited)	YTD Q2 2024 (unaudited)	Year 2024 (audited)
	Note					
Sales		45	45	45	45	90
Payroll and related expenses		(3 099)	(2 506)	(14 545)	(8 763)	(15 282)
Depreciation and amortisation		( 388)	( 379)	( 777)	( 761)	(1 577)
Other operating expenses		(1 689)	(1 596)	(3 278)	(2 691)	(8 463)
Change in fair value of financial investments		3 194	(13 194)	6 935	8 337	47 060
Net result from investments in associates	11	8 188	14 872	6 720	13 507	31 811
<b>Operating profit/(loss)</b>		<b>6 250</b>	<b>(2 758)</b>	<b>(4 900)</b>	<b>9 673</b>	<b>53 639</b>
Financial income		3 104	1 849	5 635	3 129	7 487
Financial costs		(1 258)	( 791)	(1 861)	(1 385)	(3 021)
<b>Net financial items</b>		<b>1 847</b>	<b>1 058</b>	<b>3 774</b>	<b>1 745</b>	<b>4 466</b>
<b>Profit/(loss) before income tax</b>		<b>8 097</b>	<b>(1 700)</b>	<b>(1 126)</b>	<b>11 418</b>	<b>58 105</b>
Income taxes	8	( 130)	0	( 130)	0	0
<b>Profit/(loss) for the period</b>		<b>7 967</b>	<b>(1 700)</b>	<b>(1 256)</b>	<b>11 418</b>	<b>58 105</b>
Earnings per share (NOK per share)						
- Basic		0.07	-0.01	-0.01	0.10	0.50
- Diluted		0.07	-0.01	-0.01	0.10	0.50

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK 1 000	Q2 2025 (unaudited)	Q2 2024 (unaudited)	YTD Q2 2025 (unaudited)	YTD Q2 2024 (unaudited)	Year 2024 (audited)
<b>Profit/(loss) for the period</b>	<b>7 967</b>	<b>(1 700)</b>	<b>(1 256)</b>	<b>11 418</b>	<b>58 105</b>
Other comprehensive income, net of tax					
Total other comprehensive income, net of tax	0	0	0	0	0
<b>Total comprehensive income/(loss) for the period</b>	<b>7 967</b>	<b>(1 700)</b>	<b>(1 256)</b>	<b>11 418</b>	<b>58 105</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK 1 000	Note	30.06.2025 (unaudited)	30.06.2024 (unaudited)	31.12.2024 (audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		109	134	117
Right-of-use assets	3,11	2 693	4 069	3 462
Other receivables		0	0	0
Investments in associates	10	223 864	220 189	238 493
Deferred tax asset	7	0	0	0
<b>Total non-current assets</b>		<b>226 666</b>	<b>224 392</b>	<b>242 073</b>
<b>Current assets</b>				
Trade and other receivables	12	313	3 648	282
Financial investments, current	8,9	82 806	104 487	30 336
Cash and cash equivalents		108 877	2 238	102 045
<b>Total current assets</b>		<b>191 997</b>	<b>110 373</b>	<b>132 663</b>
<b>Total assets</b>		<b>418 663</b>	<b>334 765</b>	<b>374 735</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	5	117 252	119 047	119 047
Treasury shares	5	0	(3 411)	(3 411)
Share premium		809 340	826 928	826 928
Other paid-in capital		30 691	30 691	30 691
Retained earnings		(608 618)	(652 434)	(605 747)
<b>Total equity</b>		<b>348 665</b>	<b>320 821</b>	<b>367 508</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Deferred tax liability	7	0	0	0
Leasing liabilities	3,11	1 033	2 717	2 052
Other non-current liabilities		0	0	(0)
<b>Total non-current liabilities</b>		<b>1 033</b>	<b>2 717</b>	<b>2 052</b>
<b>Current liabilities</b>				
Leasing liabilities, current	3,11	1 880	1 487	1 684
Trade creditors		515	275	349
Tax payable	7	0	0	0
Other current liabilities		20 004	2 365	3 142
Current borrowings	13	46 567	7 100	0
<b>Total current liabilities</b>		<b>68 966</b>	<b>11 227</b>	<b>5 175</b>
<b>Total liabilities</b>		<b>69 998</b>	<b>13 944</b>	<b>7 227</b>
<b>Total equity and liabilities</b>		<b>418 663</b>	<b>334 765</b>	<b>374 735</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK 1 000	Share capital	Treasury Shares	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity at 1 January 2024	119 047	(3 411)	838 653	30 691	(663 852)	321 128
Total comprehensive income for 01.01.24-30.06.24					11 418	11 418
Paid dividend			(11 725)			(11 725)
<b>Equity at 30 June 2024</b>	<b>119 047</b>	<b>(3 411)</b>	<b>826 928</b>	<b>30 691</b>	<b>(652 434)</b>	<b>320 821</b>
Total comprehensive income for 01.07.24-31.12.24					46 687	46 687
<b>Equity at 31 December 2024</b>	<b>119 047</b>	<b>(3 411)</b>	<b>826 928</b>	<b>30 691</b>	<b>(605 747)</b>	<b>367 508</b>
Total comprehensive income for 01.01.25-30.06.25					(1 256)	(1 256)
Capital reduction by deletion of treasury shares	(1 795)	3 411			(1 616)	0
Paid dividend			(17 588)			(17 588)
<b>Equity at 30 June 2025</b>	<b>117 252</b>	<b>0</b>	<b>809 340</b>	<b>30 691</b>	<b>(608 618)</b>	<b>348 665</b>

## CONSOLIDATED CASH FLOW STATEMENT

NOK 1 000	Q2 2025 (unaudited)	Q2 2024 (unaudited)	YTD Q2 2025 (unaudited)	YTD Q2 2024 (unaudited)	Year 2024 (audited)
<b>Cash flow from operating activities</b>					
Profit/(loss) before income tax	7 967	(1 700)	(1 256)	11 418	58 105
Adjustments:					
Depreciation	388	379	777	761	1 577
Change in fair value of financial investments	(3 194)	13 194	(6 935)	(8 337)	(47 060)
Net result from investments in associates	(8 188)	(14 872)	(6 720)	(13 507)	(31 811)
Interest costs on lease debt	36	49	73	99	201
Interest costs on bank facility	887	514	1 270	588	754
Changes in trade creditors	( 76)	22	165	171	246
Changes in other accruals and other items	(2 487)	(3 398)	( 235)	(2 519)	(1 307)
<b>Net cash flow from operating activities</b>	<b>(4 666)</b>	<b>(5 812)</b>	<b>(12 861)</b>	<b>(11 325)</b>	<b>(19 295)</b>
<b>Cash flow from investing activities</b>					
Purchase of property, plant, and equipment	0	0	0	0	0
Investments in associates	0	0	0	0	0
Dividends from associates	21 350	18 300	21 350	18 300	18 300
Purchase of financial investments	(20 054)	(19 469)	(52 254)	(38 695)	(70 885)
Proceeds from sales of financial investments	20 843	21 415	20 843	48 180	195 777
<b>Net cash flow from investing activities</b>	<b>22 138</b>	<b>20 247</b>	<b>(10 062)</b>	<b>27 785</b>	<b>143 191</b>
<b>Cash flow from financing activities</b>					
Dividends paid from North Energy ASA	(17 588)	(11 725)	(17 588)	(11 725)	(11 725)
Drawdown/payback bank facility	17 790	(2 237)	49 735	(6 644)	(13 584)
Interest costs on bank facility*	( 887)	( 514)	(1 270)	( 588)	( 754)
Lease payments including interests*	( 465)	( 430)	( 895)	( 844)	(1 612)
<b>Net cash flow from financing activities</b>	<b>(1 150)</b>	<b>(14 906)</b>	<b>29 982</b>	<b>(19 801)</b>	<b>(27 674)</b>
<b>Net change in cash and cash equivalents</b>	<b>16 322</b>	<b>( 471)</b>	<b>7 059</b>	<b>(3 342)</b>	<b>96 221</b>
Cash and cash equivalents at beginning of the period	92 660	3 116	102 045	5 952	5 952
Effect of exchange rate fluctuation on cash and cash equivalents	( 105)	( 406)	( 227)	( 372)	( 128)
<b>Cash and cash equivalents at end of the period</b>	<b>108 877</b>	<b>2 239</b>	<b>108 877</b>	<b>2 239</b>	<b>102 045</b>

\* The cash flow related to exchange rate fluctuation on cash and cash equivalents are reclassified for presentation purposes.



# Notes to the interim consolidated financial statements second quarter 2025

## Note 1 - General and corporate information

These financial statements are the unaudited interim condensed consolidated financial statements of North Energy ASA and its subsidiaries (hereafter “the Group”) for the second quarter of 2025. North Energy ASA is a public limited company incorporated and domiciled in Norway, with its main office located in Oslo. North Energy ASA's shares were listed on Oslo Axess (now Euronext Expand), an exchange regulated by the Euronext Stock Exchange, on 5 February 2010. The company's ticker is NORTH.

## Note 2 - Basis of preparation

The interim accounts were prepared in accordance with IAS 34 Interim Financial Reporting and the supplementary requirements in the Norwegian Securities Trading Act (Verdipapirhandelloven). The interim accounts do not include all the information required in the annual accounts and should therefore be read in conjunction with the annual accounts for 2024. The annual accounts for 2024 were prepared in accordance with IFRS® Accounting Standards as adopted by the EU (IFRS) and certain requirements in the Norwegian Accounting Act.

## Note 3 - Accounting policies

The accounting policies adopted in the preparation of the interim accounts are consistent with those followed in the preparation of the annual accounts for 2024. New standards, amendments, and interpretations to existing standards effective from 1 January 2025 did not have any significant impact on the financial statements.

## Note 4 - Critical accounting estimates and judgements

The preparation of the interim accounts entails the use of judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised as assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances. The actual results may deviate from these estimates. The material assessments underlying the application of the company's accounting policies and the main sources of uncertainty are the same for the interim accounts as for the annual accounts for 2024.

## Note 5 - Share capital

Number of outstanding shares on 1 January 2025	119 047 065
Treasury shares deleted during the period	(1 795 472)
<b>Number of outstanding shares on 30 June 2025</b>	<b>117 251 593</b>
<hr/>	
Nominal value NOK per share on 30 June 2025	1
Share capital NOK on 30 June 2025	117 251 593

## Note 6 - Business segments

The Group reports only one business segment which includes the investment activities.

## Note 7 - Income taxes

Specification of income tax	Q2 YTD 2025	Q2 YTD 2024	Year 2024
Tax payable	130	0	0
Change deferred tax asset	0	0	0
<b>Total income taxes</b>	<b>130</b>	<b>0</b>	<b>0</b>

Specification of temporary differences, tax losses carried forward, deferred tax	30.06.2025	30.06.2024	31.12.2024
Property, plant and equipment	2 666	4 015	3 421
Leasing liabilities	(2 913)	(4 204)	(3 736)
Financial investments	10 162	22 064	4 790
Provisions	0	0	0
Tax losses carried forward	(81 677)	(96 660)	(65 977)
<b>Total basis for deferred tax asset</b>	<b>(71 761)</b>	<b>(74 786)</b>	<b>(61 501)</b>
Deferred tax asset/(liability) before valuation allowance	15 787	16 453	13 530
Not capitalised deferred tax asset (valuation allowance)	(15 787)	(16 453)	(13 530)
<b>Deferred tax asset/(liability)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Reconciliation of effective tax rate	Q2 YTD 2025	Q2 YTD 2024	Year 2024
Profit/(loss) before income tax	(1 126)	11 418	58 105
Expected income tax 22%	( 248)	2 512	12 783
Adjusted for tax effects (22%) of the following items:			
Permanent differences	( 2 118)	(3 257)	(10 605)
Adjustments previous years	109	0	0
Change in valuation allowance for deferred tax assets	2 257	745	(2 178)
Withholding tax paid on dividend from foreign company	130	0	0
<b>Total income taxes</b>	<b>130</b>	<b>0</b>	<b>0</b>

## Note 8 – Financial investments

Financial investments are investments in shares and bonds. The main investments on 30 June 2025 consist of shares in Fugro NV as well as bonds in Petrofac Ltd. and Interoil Exploration & Production ASA.

## Note 9 - Fair value of financial instruments

The carrying amount of cash and cash equivalents and other current receivables is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of trade creditors and other current liabilities are approximately equal to fair value, since the effect of discounting is not significant, due to short term to maturity.

Fair value of the stock exchange-listed shares is the stock market price at the balance sheet date (level 1 in the fair value hierarchy). Fair value of bonds is based on quoted market prices at the balance sheet date (level 2 in the fair

value hierarchy). Fair value of other non-listed investments are valued using the best information available in the circumstances including the entities' own data. (level 3 in the fair value hierarchy).

Specification of financial instruments based on level in the fair value hierarchy

<b>Fair Value 30.06.2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Shares	36 232		0	36 232
Bonds		46 575		46 575
<b>Total fair value</b>	<b>36 232</b>	<b>46 575</b>	<b>0</b>	<b>82 806</b>

There has been no transfer between level 1 and level 2 during 2025.

<b>Reconciliation of level 3 in the fair value hierarchy</b>	<b>Level 3</b>
Opening balance	0
Movement during the quarter	0
<b>Closing balance</b>	<b>0</b>

## Note 10 - Investment in an associate

Reconciliation and specification of carrying amount of investment in associates:

	<b>30.06.2025</b>	<b>30.06.2024</b>	<b>31.12.2024</b>
Opening balance carrying amount of investments in associates	238 493	224 982	224 982
Gain on dilution of ownership, Reach Subsea ASA*	(7 655)	0	(2 101)
Acquisition cost shares acquired, Reach Subsea ASA	0	0	0
Acquisition cost shares acquired, Wind Catching Systems AS	0	0	0
Share of net result in investment, Reach Subsea ASA	19 296	16 879	38 482
Share of net result in investment, Wind Catching Systems AS	(5 053)	(3 504)	(4 992)
Share of net result in investment, Tyveholmen AS	132	132	423
Dividend received, Reach Subsea ASA	(21 350)	(18 300)	(18 300)
<b>Total carrying amount of investments in associates at balance date</b>	<b>223 864</b>	<b>220 189</b>	<b>238 493</b>

Specification of net result from investment in an associate recognised in the income statement:

	<b>Q2 YTD 2025</b>	<b>Q2 YTD 2024</b>	<b>Year 2024</b>
Share of net result in investment, Reach Subsea ASA	19 296	16 879	38 482
Share of net result in investment, Wind Catching Systems AS	(5 053)	(3 504)	(4 992)
Share of net result in investment, Tyveholmen AS	132	132	423
Gain on dilution of ownership, Reach Subsea ASA*	(7 655)	0	(2 101)
<b>Net result from investments in associates</b>	<b>6 720</b>	<b>13 507</b>	<b>31 811</b>

\* The gain or loss on dilution of ownership is an accounting effect triggered by private placements and the issuing of consideration shares resulting in increased equity in the associated companies. North Energy has in some private placements participated with a lower share than the original ownership and not participated in other private placements, hence North Energy's ownership percentage has been reduced while the value of the investment has increased or decreased. Gain or loss on the deemed disposals arises because the amount per share subscribed to by the third party was different compared to North Energy's carrying value per share prior to the event. The dilution of ownership in Reach Subsea took place on 4 December 2024 and 9 March 2025.

## Note 11 – Leases

### Right-of-use assets:

The Group leases office facilities. The Group's right-of-use assets are categorised and presented in the table below:

Right-of-use assets	Office facilities
Acquisition cost at 1 January 2025	12 247
Addition of right-of-use assets	
Disposals of right-of-use assets	
Changes in estimates	0
<b>Acquisition cost at 30 June 2025</b>	<b>12 247</b>
Accumulated depreciation and impairment 1 January 2025	(8 785)
Depreciation	( 769)
Impairment	
<b>Accumulated depreciation and impairment 30 June 2025</b>	<b>(9 554)</b>
<b>Carrying amount of right-of-use assets 30 June 2025</b>	<b>2 693</b>

Lower of remaining lease term or economic life 1.75 years

Depreciation method Linear

### Leasing liabilities:

Lease liabilities at 1 January 2025	3 736
Additions lease contracts	0
Disposals lease contracts	0
Accretion lease liabilities	73
Payments of lease liabilities	( 895)
<b>Total leasing liabilities 30 June 2025</b>	<b>2 913</b>

Breakdown of lease debt:	
Short-term	1 880
Long-term	1 033
<b>Total lease debt</b>	<b>2 913</b>

Maturity of future undiscounted lease payments under non-cancellable lease agreements:

	<b>30.06.2025</b>
Within 1 year	1 753
1 to 5 years	1 315
After 5 years	0
<b>Total</b>	<b>3 068</b>

The leases do not impose any restrictions on the Company's dividend policy or financing opportunities.

## Note 12 – Trade and other receivables

The balance on Trade and other receivables at the end of June 2025 is related to prepayments of other operating expenses.

### Note 13 - Current borrowings

The Company has a multicurrency credit facility with DNB. In the second quarter 2025 the total facility amount has been raised from NOK 49 million to NOK 100 million. The Company uses listed financial investments as collateral for the credit facility. At the end of the second quarter 2025 the Company has utilized the facility with NOK 46.4 million which consist of drawdown of NOK 49.7 million and currency gain of NOK 3.2 million.

### Note 14 - Events after the balance sheet date

There are no subsequent events with significant accounting impacts that have occurred between the end of the reporting period and the date of this report that are not already reflected or disclosed in these interim financial statements.



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