

**INPEX**

# 2025 Annual Report

INPEX Idemitsu Norge AS



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## Message from the Managing Director

I am pleased to address you for the first time as Managing Director of INPEX Idemitsu Norge (IIN). As I step into this role, I look forward to contributing to the company's continued development and long-term success. Building on IIN's long-standing presence in Norway and within a highly capable and resilient Norwegian oil and gas industry, I am confident in the strong foundation we have for continued value creation.

In 2025, we continued to strengthen our position on the Norwegian Continental Shelf through a series of important strategic and operational milestones.

A key highlight of the year was the approval of the Plan for Development and Operation (PDO) for the Fram Sør project. This development represents an important step in unlocking additional value in the Fram area, and we are

pleased to advance this project in close collaboration with our partners. It also demonstrates our commitment to efficient, low-cost solutions by leveraging existing infrastructure, while contributing to sustainable production growth.

In addition, we successfully completed the transaction of producing assets from Pandion Energy in the fourth quarter of 2025. Through this transaction, we acquired a 10 % interest in the producing Valhall and Hod fields, as well as 20 percent interests in the Slagugle and Mistral discoveries. The addition of Valhall and Hod contributes approximately 5 000 barrels of oil equivalent per day to our portfolio, while also strengthening our presence in key strategic areas across the Central North Sea and the Norwegian Sea.

Another key step in 2025 was our entry into carbon capture and storage through

the acquisition of a 30 percent interest in the Trudvang CCS project. This complements our broader sustainability efforts, which also include our participation in the Hywind Tampen offshore wind farm supplying power to offshore installations such as Snorre.

These achievements reflect our disciplined approach to portfolio management and our continued focus on value creation through both organic growth and strategic acquisitions. As we look ahead, we remain committed to delivering safe, efficient, and responsible operations while positioning for long-term, sustainable growth.



Sincerely,

**Ryota Ando**  
Managing Director  
INPEX Idemitsu Norge



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**KEY DATA**

	2025	2024	2023	2022	2021
Operating revenues, million NOK	5 716	7 648	8 941	11 967	6 569
Operating profit, million NOK	2 171	4 661	6 171	8 912	4 061
Profit after tax, million NOK	620	1 364	1 609	2 083	1 039
Daily production total, thousand boe	26.9	25.5	28.5	32.7	28.5
Daily production gas thousand boe	7.8	9.1	7.9		
Oil/gas ratio	71/29	64/36	72/28	76/24	
Investments, million NOK	1 290	483	673	916	1 459
Equity ratio (year-end)	45 %	53 %	49 %	43 %	38 %
Cash flow before financing, million NOK	-3 356	1 697	1 312	4 387	2 197
Crude oil reserves, million Sm <sup>3</sup>	16.0	11.2	12.5	12.7	14.2
Return on equity	8 %	19 %	26 %	44 %	24 %
Production cost USD per barrel	10.4	8.7	8.3		

**DEFINITIONS**

Daily production = Average daily production in oil equivalents, IIN share

Investments = Offshore investments excl. production rights

Crude oil reserves = Probable, commercially recoverable resources in producing fields

Return = Annual after tax profit

Equity = Average equity

Production cost = Operating expenses before depreciation, transportation cost and inventory change





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## Exploration



Following the application for exploration acreage in Awards in Pre-defined Areas 2024 (APA 2024), INPEX Idemitsu Norge (IIN) was awarded eight production licences: **PL 1274** and **PL 1276** in the Vøring Basin, **PL 1257**, **PL 1263**, and **PL 1264** in the northern North Sea. In addition, IIN was given extension licences **PL 1194 C** in the Vøring Basin, **PL 636 D**, and **PL 318 D** in the northern North Sea. **PL 1263** and **PL 1264** were the third and fourth licences operated by IIN. INPEX Idemitsu intends to actively participate in future licensing rounds both as operator and partner and will continue to seek further investment opportunities on the Norwegian Continental Shelf (NCS).



IIN participated in three exploration wells in 2025: two in the northern North Sea and one in the Vøring Basin.

#### **NORTHERN NORTH SEA**

Exploration well 35/11-31 S targeted the F-Sør prospect in **PL 090** in the greater Fram area in the northern North Sea. The well's primary target was proving petroleum in reservoir rocks from the Late Jurassic (Sognefjord Formation) and secondarily proving petroleum in reservoir rocks from the Middle Jurassic (Brent Group) and the Late Paleocene. The well encountered oil in the Sognefjord Formation and gas in the Brent Group.

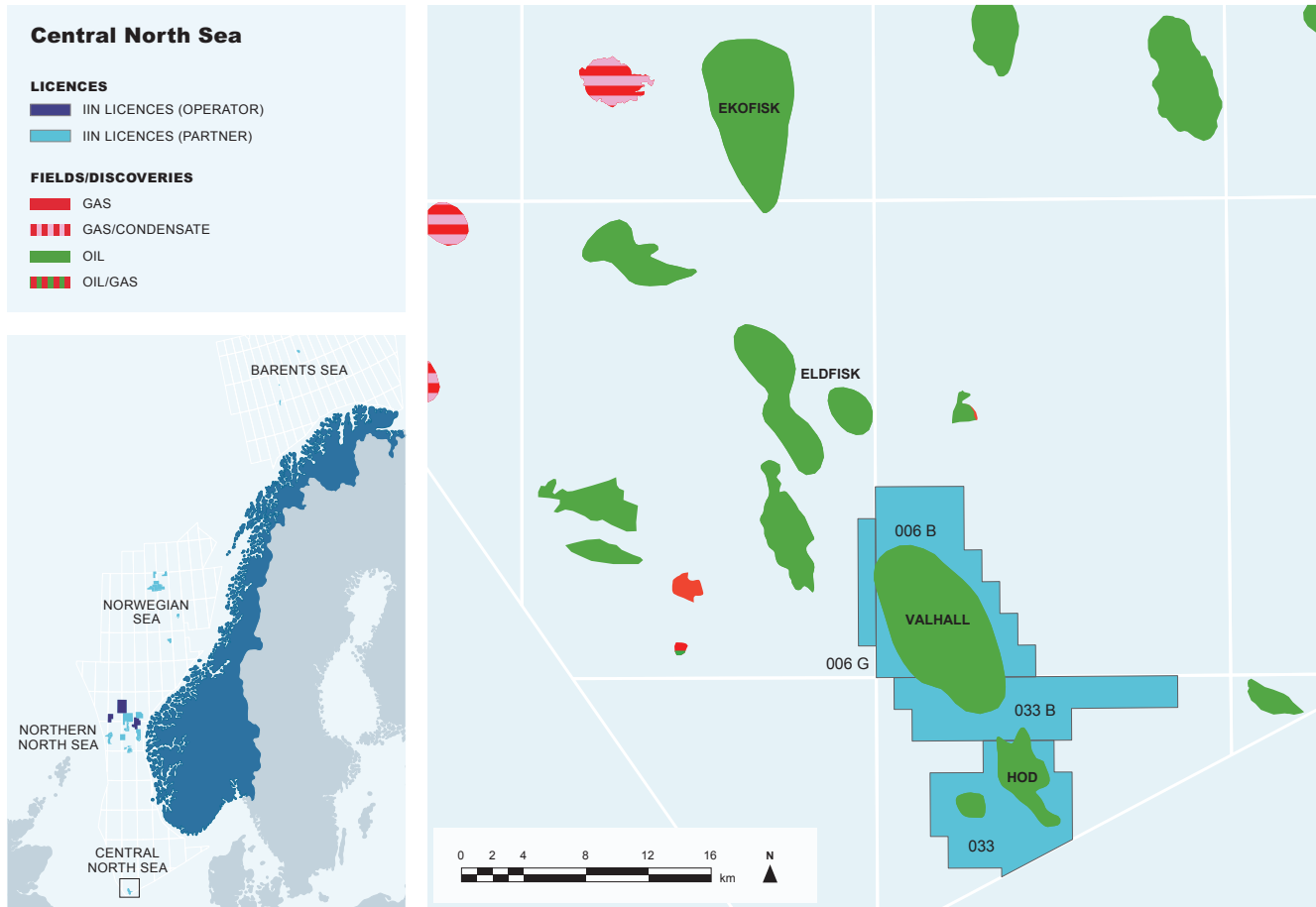
Wells 35/8-8 S and 35/8-8 A were drilled in **PL 248 LS** and **PL 248 B**, which are part of the Vega Unit. The primary target for well 35/8-8 S was proving petroleum in reservoir rocks from the Middle Jurassic (Brent Group) and the Early Jurassic (Cook Formation). Gas was

encountered in the Tarbert Formation in the Brent Group, the Etive Formation (Brent Group), and in the Early Jurassic (Drake Formation). The primary target for well 35/8-8 A was proving petroleum in reservoir rocks from the Middle Jurassic (Brent Group), and a gas column was encountered in the Ness Formation (Brent Group).

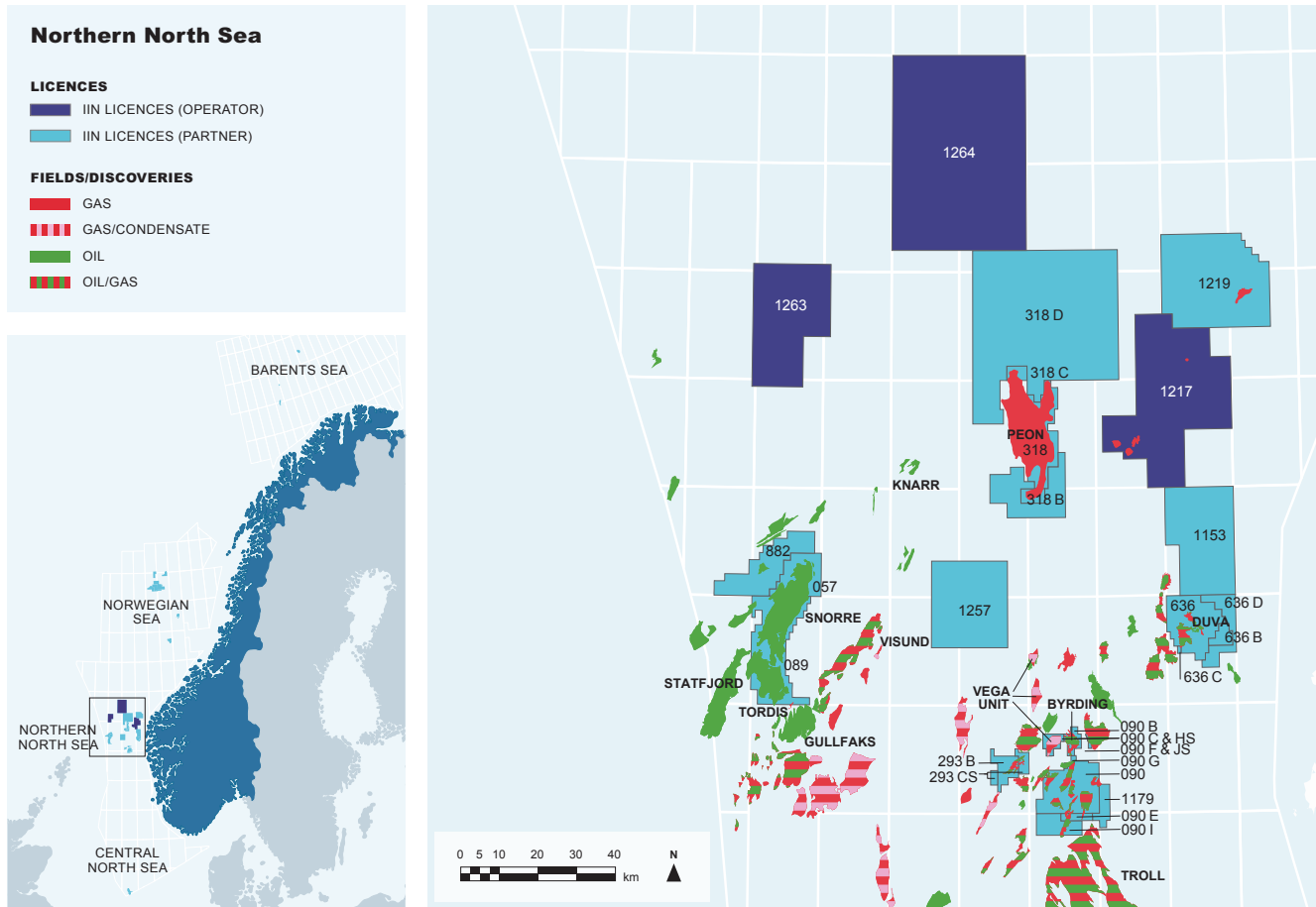
#### **NORWEGIAN SEA**

In the Vøring Basin, well 6606/4-1 S in **PL 1194** drilled the Hoffmann prospect, south-west of the Aasta Hansteen field. The objective of the well was to prove petroleum in Upper Cretaceous reservoir rocks in the Nise Formation. The well is classified as dry, with gas shows.

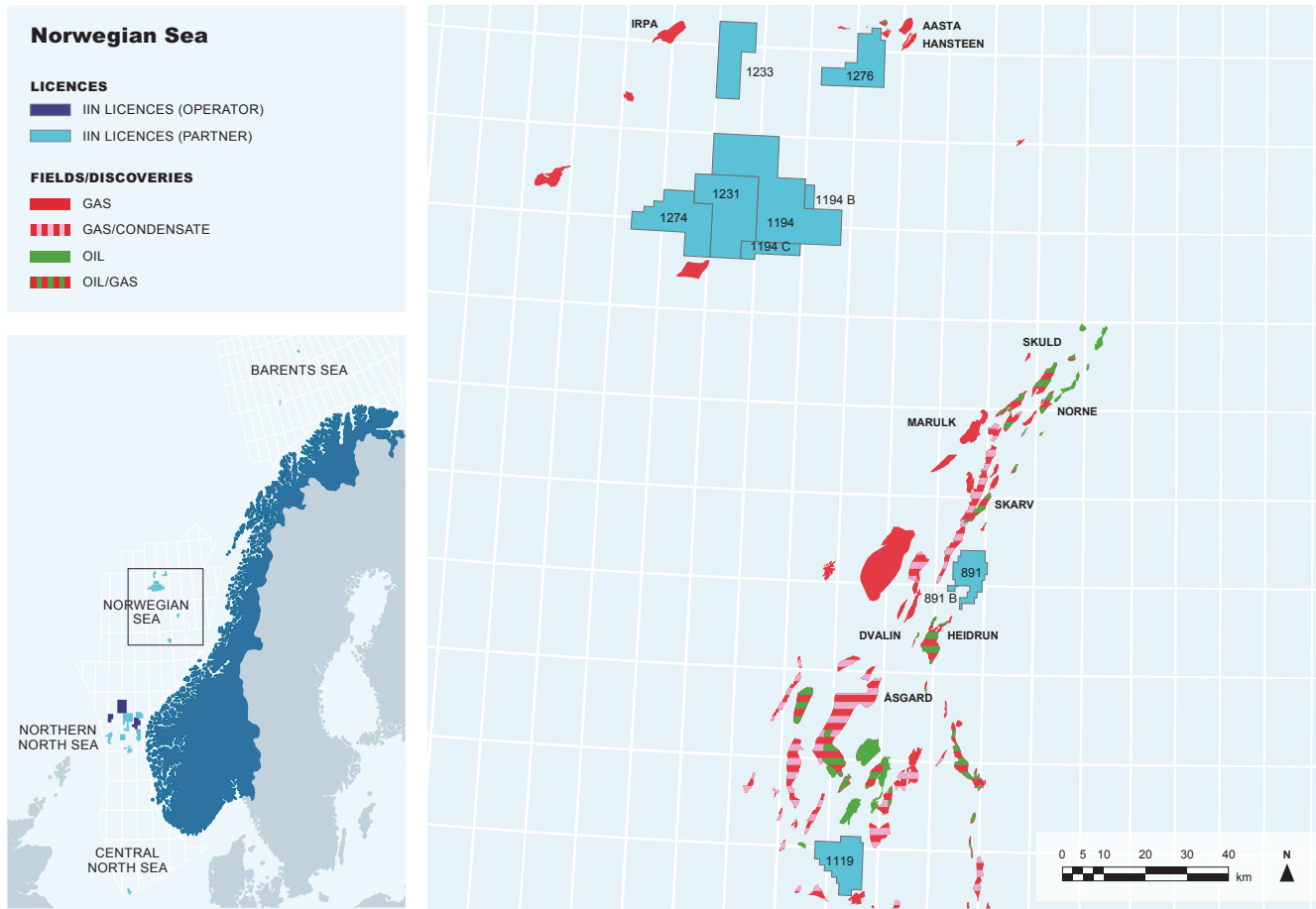




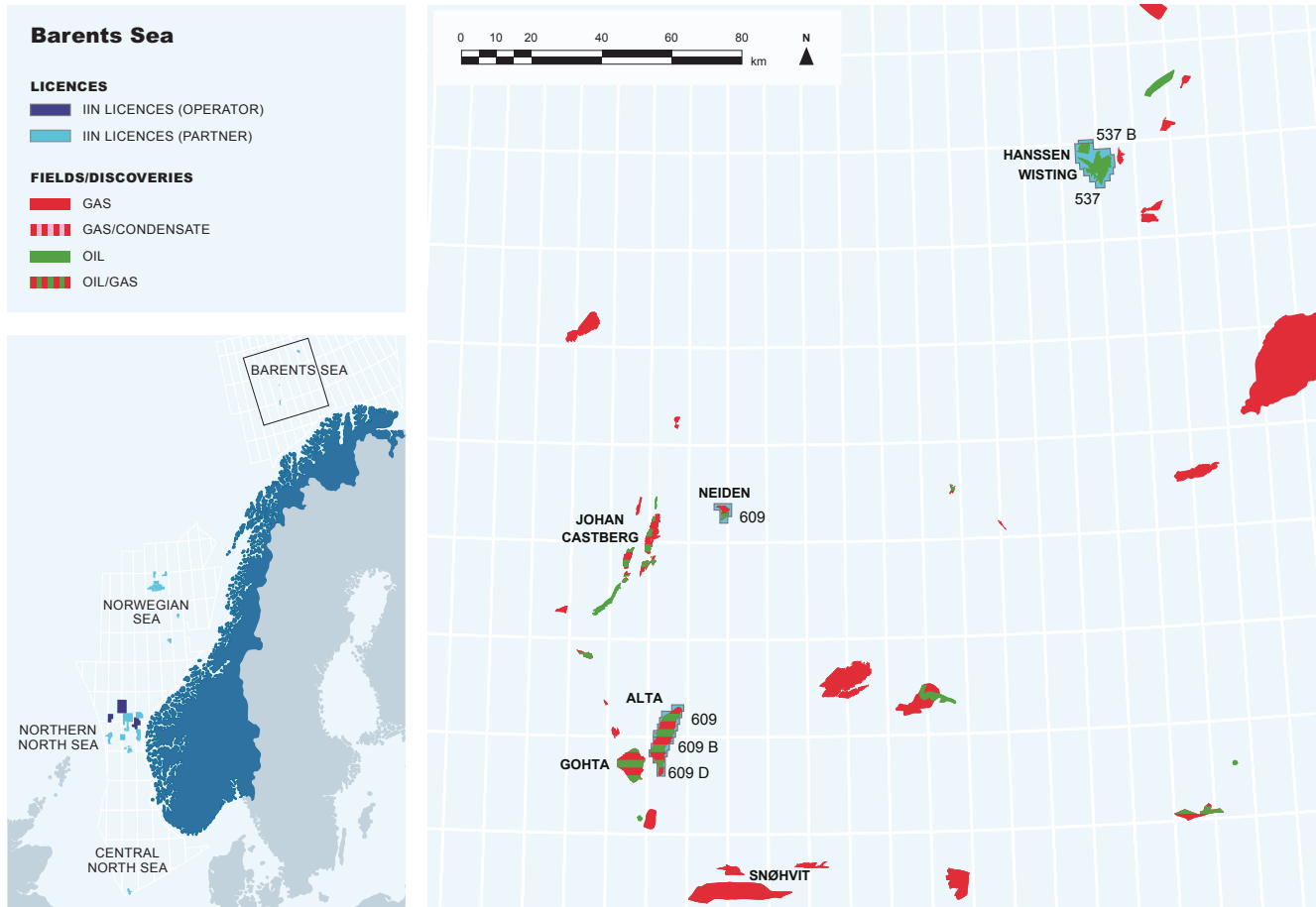
Cultural data source: Norwegian Offshore Directorate



Cultural data source: Norwegian Offshore Directorate



Cultural data source: Norwegian Offshore Directorate



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## Production & development



Production has been stable throughout the year. The average production per day was about 27 000 boe, an increase of around 5 % from 2024, mainly due to the acquisition of interests in the Valhall and Hod fields. About 70 % of the production was oil and 30 % was gas.

The oil production increased by 15 %, while the gas production decreased by 17 %, mainly due to choke back of highwater producing wells on Fram. An increase in gas production is expected when Duva commences the blowdown phase. IIN's total reserves increased from 70.44 MMbbl oil equivalents to 100.9 MMbbl, mainly due to the acquisition of interests in the Valhall and Hod fields, and the addition of reserves in the Fram Sør project that

passed DG 3 (financial investment decision) in June 2025.

The Snorre, Fram, Duva, and the Valhall fields are the most important producing fields in IIN's portfolio, accounting for approximately 83 % of the total IIN production. Snorre and Fram produced stably, but with expected declining production. Duva, in its fourth year of full production, continued to exceed expectations due to the absence of capacity constraints at the receiving Gjøa platform, and the installation of gas lift in two of the oil production wells resulting in an extended lifetime from these wells.

### **HYWIND TAMPEN**

The Hywind Tampen offshore wind farm has been in operation throughout 2025,



achieving annual CO<sub>2</sub> savings of 113 000 tonnes for Snorre, and with an availability above 90 % and a capacity factor of 51.6 %.

#### **DECOMMISSIONING OF THE KNARR FIELD**

Production from the Knarr field ceased on 1 May 2022, and the field has since entered the decommissioning phase. Activities are progressing in accordance with the approved plan, with completion scheduled by 1 May 2028.

#### **MATURATION OF DISCOVERIES**

In November 2022, Equinor and partners postponed the Wisting project and established the Wisting Reshape Project (WRP) to improve project robustness. The WRP aims to reduce costs by optimising execution, ensuring market predictability, and increasing reserves by mitigating subsurface risks.

The project has continued working towards development and optimisation of concept targeting DG2 in 2026.

The Fram Sør project, including Echino Sør, F-Vest and Dermata, successfully passed DG3 in June 2025, and the PDO was approved by the authorities in August 2025. The project is in the execution phase.

Valhall PWP (Process and Well head platform) is a development project in cooperation with the Fenris field. The PWP jacket and bridge to the PH (Processing and Hotel platform) was installed in 2025, and the topside is planned to be installed in the autumn of 2026. The project is adding 24 new well slots with first production in 2027. The pre-drilling started in 2025.

Other key discoveries under evaluation for development include:

Grosbeak (PL 090 JS), Dugong (PL 882), Kveikje (PL 293 B), and Mulder (PL 090): Expected to be developed as subsea tiebacks to existing infrastructure. PDOs are planned within the next 2-3 years, with production anticipated between 2030 and 2032.

Peon gas discovery: After limited progress in recent years, focus has resumed with the establishment of a maturation plan in 2024, aiming for a PDO submission within 2-3 years.

Cerisa (PL 636): The recent discovery has already started a fast-track development as part of the Gjøa Subsea Projects with PDO in 2026 and production-start in 2028.

#### **TOWARDS A LOW GREENHOUSE GAS EMISSION PORTFOLIO**

INPEX Idemitsu already operates fields with low emissions through power optimisation, reduced flaring, and



methane ventilation control. The Vega and Duva fluids are processed at the Gjøa platform, which runs on electrical power from shore.

Several projects are underway to further reduce emissions:

**Tampen Electrification project:**

The project was halted in 2025 due to high cost and poor economics.

**Troll Platforms Electrification**

**(2024):** Expected to significantly reduce emissions from the Fram, H-Nord, and Byrding fields. Phase I has been completed, phase II is postponed.

**TAMPEN AREA PRODUCING FIELDS**

**Snorre (PL 057 & PL 089):**

The field has been producing since August 1992. Snorre B came onstream in 2001.

The field's lifetime has been extended to 2040, with further extensions under evaluation.

**Tordis (PL 089):** Tordis was developed via a 10 km subsea tieback to Gullfaks C for processing. Production started in 1994.

**Vigdis (PL 089):** The field was developed via a 7-km subsea tieback to Snorre A. Production started in 1997 with lifetime extended to 2040.

**FRAM AREA PRODUCING FIELDS**

**Fram:** The field is located 20 km north of Troll C and has been producing since October 2003. It was developed with subsea templates tied back to Troll C, and the gas is exported to Kollsnes for processing.

**Duva:** The investment decision was made in March 2019, and the Plan for

Development and Operation (PDO) was approved in June 2019. The field was developed using a four-slot template tied back to Gjøa. Production commenced in August 2021, with oil transported via the Troll oil pipeline to Kollsnes and gas exported to the UK through the SEGAL system.

**Fram H-Nord:** Developed as a tieback to Fram and Troll C. Production began in 2014.

**Byrding:** The field came on stream in July 2017, with production from a dual-branch well on the H-Nord template routed via Fram Vest to Troll C.

**Vega:** Production began in November 2010 and was developed using three subsea templates tied to the Gjøa platform. The gas is transported to St. Fergus, while the condensate is exported to Mongstad.



## EKOFISK AREA

**Valhall:** Valhall is a new asset for IIN after acquisition of several assets from Pandion in 2025. The Valhall field is an oil field located in the southern part of the Norwegian sector in the North Sea. The field was discovered in 1975 and production began in 1982 and is expected to continue until 2050. The field was originally developed with three facilities for accommodation (QP), drilling (DP), and processing and compression (PCP). The production started in 1982. A PDO for a wellhead facility (WP) was approved in 1995 and for a water injection platform (IP) in 2000. Bridges connect the platforms. A PDO for two wellhead platforms on the northern and southern flanks was approved in 2001. A PDO for Valhall Redevelopment was approved in 2007. The plan included an accommodation and processing platform (PH) to replace aging facilities on the field. The PH

platform is supplied with power from shore. A PDO for Valhall Flank West, which included a normally unmanned wellhead platform, was approved in 2018, and the production started in 2019. An amended PDO for a new production and wellhead platform (PWP) was approved in June 2023. Oil and NGL (Natural Gas Liquids) are routed via pipeline to the Ekofisk field and further to Teesside in the UK. Gas is sent via Norpipe to Emden in Germany.

**Hod:** Hod is the second producing field that was acquired from Pandion in 2025. Hod is located in southern part of the Norwegian sector of the North Sea. Hod was discovered in 1974, and the plan for development and operation (PDO) was approved in 1988. The field was originally developed with an unmanned wellhead platform remotely controlled from Valhall. The production started in 1990. A PDO for Hod Saddle

was approved in 1994. The production from the original platform ceased in 2013. A PDO for the redevelopment of Hod with a new unmanned wellhead platform (Hod B) tied in to the Valhall field centre was approved in 2020. Oil and gas are transported in a shared pipeline to the Valhall field for further processing. Transport of oil and NGL from Valhall is routed via pipeline to the Ekofisk Centre and further to Teesside in the UK. Gas from Valhall is sent via Norpipe to Emden in Germany.

INPEX Idemitsu remains committed to sustainable production and responsible resource development.





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## Social Impact

### **APPROACH, GOVERNANCE AND METHODOLOGY**

INPEX Idemitsu's work on social sustainability is anchored in Norwegian legislation, including the Equality and Anti-Discrimination Act and the Transparency Act, as well as the INPEX Group Code of Conduct and Human Rights Policy.

The company applies a systematic approach in line with the Activity and Reporting Obligation (ARP), comprising identification of risks, analysis of underlying causes, implementation of targeted measures and evaluation of results.

This approach is applied to both the company's own workforce and, where

relevant, its value chain. Social risks and impacts are assessed through workforce data, employee feedback and due diligence processes and are followed up through management review and continuous improvement.

Human rights due diligence in the value chain is conducted in accordance with the OECD Guidelines for Multi-national Enterprises and the Norwegian Transparency Act and is integrated into the company's overall risk management framework.

### **OWN WORKFORCE**

#### **Diversity, equity and inclusion (DE&I)**

INPEX Idemitsu works systematically to ensure equal treatment and opportu-

nities for all employees and to maintain an inclusive working environment.

#### **Risks and focus areas**

Key risks identified include:

- gender imbalance in technical and managerial roles
- limited availability of qualified female candidates in technical recruitment pipelines, reflecting industry-wide gender imbalances
- risk of pay differences driven by role composition, particularly in non-technical roles with limited comparability
- maintaining an inclusive culture in a diverse and international workforce

#### **Actions and developments in 2025**

In 2025, the company continued strengthening its DE&I efforts through initiatives including;



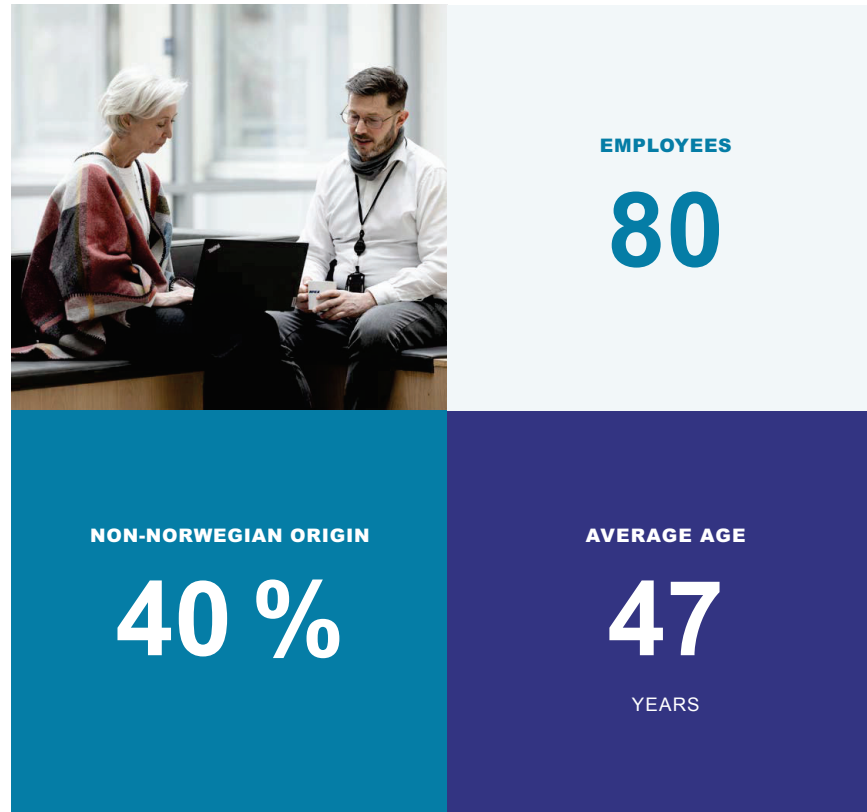
- an employee survey on diversity, equity and inclusion to identify potential barriers
- lecture on micro-aggression
- workshop with focus on collaboration

The effectiveness of these measures is monitored through workforce data and employee feedback.

#### **Workforce composition and diversity**

The company has a stable and experienced workforce of 80 employees, with an average age of 47 years.

The workforce is internationally diverse, with employees of non-Norwegian origin representing 40 % and a total of 13 nationalities represented. This diversity brings a broader range of perspectives and contributes to more informed discussions and decision-making.



Consultants not included.



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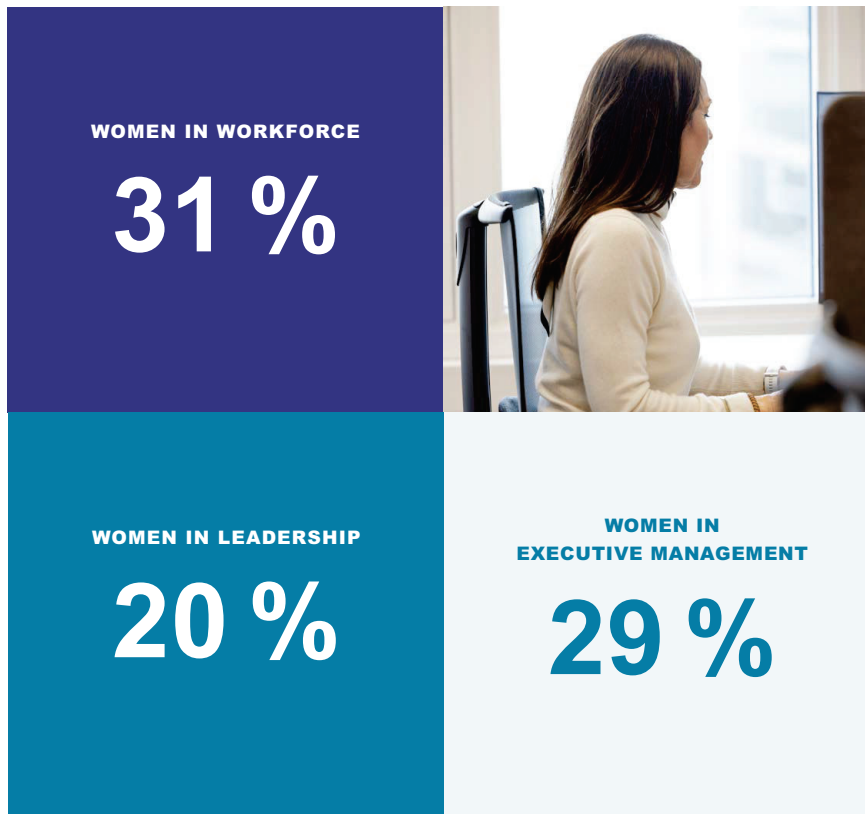
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Consultants not included.

An overview of workforce composition is presented below.

#### **Gender balance**

Improving gender balance within technical disciplines and leadership roles remains a priority.

At year-end 2025:

- women represented 31 % of the workforce, unchanged from 2024
- women in leadership positions accounted for 20 %
- women in executive roles accounted for 29 %
- female representation on the Board was 40 % (shareholder-appointed)

Gender distribution varies across organisational levels and disciplines. Female representation is lower in leadership roles across the organisation, while more balanced representation is observed in non-technical roles at senior and professional levels.

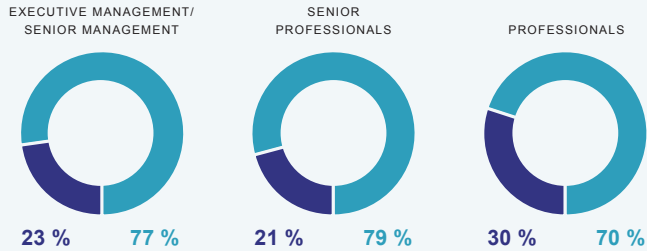


## GENDER DISTRIBUTION ACROSS ORGANISATIONAL LEVELS\*

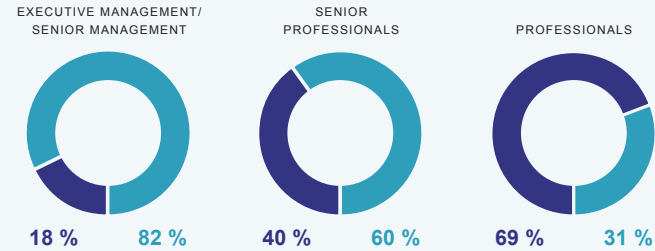
\* Consultants not included.

○ FEMALE ○ MALE

### Technical



### Business



Total employees



Measures to improve gender balance include both focused recruitment and succession planning.

Gender distribution across organisational levels is illustrated above.

### Working conditions and working environment

INPEX Idemitsu provides sound working conditions and promotes a positive working environment.

#### Working environment

The company maintains a psychosocial working environment characterised by

respect, collaboration and trust. Employee feedback mechanisms are used to identify improvement areas and support targeted actions.

#### Employment conditions

The workforce is characterised by stable employment conditions, with limited use of temporary staff and



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**GENDER PAY COMPARISON BY ORGANISATIONAL LEVEL** Women's % of men's salary

● FEMALE ● MALE

**Technical\***

**Business\***

\* Local employees

EXECUTIVE MANAGEMENT/  
SENIOR MANAGEMENT



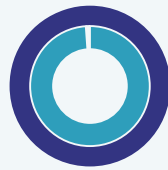
97 %

SENIOR PROFESSIONALS



92 %

PROFESSIONALS



101 %

EXECUTIVE MANAGEMENT/  
SENIOR MANAGEMENT



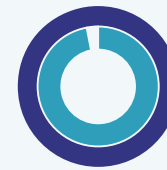
90 %

SENIOR PROFESSIONALS



92 %

PROFESSIONALS



103 %

consultants. Two temporary positions were held by student interns, and one employee worked voluntary part-time.

**Work-life balance**

The company facilitates a balance between professional and personal responsibilities through flexible working arrangements and leave schemes.

In 2025, two employees utilised parental leave (22 weeks and 6 weeks respectively), reflecting the company's support for family-related

leave in accordance with Norwegian legislation.

**Equal pay and remuneration**

INPEX Idemitsu applies structured remuneration practices based on role complexity, responsibility, qualifications, experience and performance.

**Risks and focus areas**

Potential risk of pay differences is assessed annually, particularly where role composition limits direct comparability across positions.

**Metrics and assessment**

Salary levels for women range from 90 % to 103 % of men's salaries across organisational levels.

Differences are limited and largely explained by objective factors. Pay differences are monitored to ensure alignment with the principle of equal pay for equal work.

Gender pay differences by organisational level are illustrated above.



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### **Human rights and decent working conditions in the value chain**

INPEX Idemitsu works to respect human rights and ensure decent working conditions in line with international standards and the Norwegian Transparency Act.

### **Governance and policies**

Commitments are embedded in the INPEX Group Human Rights Policy, Code of Conduct and supporting policies, including procurement, compliance and whistleblowing frameworks.

The Board of Directors oversees governance, while the Compliance Committee monitors risk management and compliance.

### **Risks and impacts**

Potential risks are primarily linked to the supply chain, particularly subcontractor layers. While operations are located on



the Norwegian Continental Shelf, inherent risks may arise in extended supply chains.

These risks include working conditions, wages, working hours and health and safety.

***Due diligence and actions***

Due diligence is conducted through risk-based assessments of suppliers and business partners.

For non-operated projects, the company engages with operators and promotes alignment with Offshore Norge guidelines.

In 2024, actions included supplier assessments, integration of human rights requirements into procurement processes, employee awareness activities and participation in industry initiatives.

No actual adverse impacts or significant risks were identified in 2024.

**GRIEVANCE MECHANISMS**

INPEX Idemitsu maintains confidential grievance mechanisms, including a whistleblowing system available to employees and external stakeholders.

No cases related to discrimination, harassment or human rights were reported in 2025.

**CLOSING PERSPECTIVE**

INPEX Idemitsu continues to strengthen its approach to social sustainability through structured processes and data-driven follow-up.

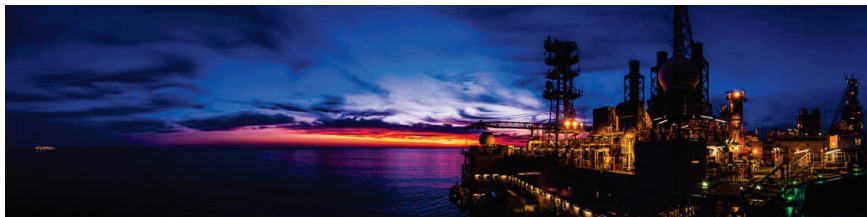
Key indicators show stable development, while further efforts are required to improve gender balance in leadership and technical roles.

The company will continue to develop its practices in line with regulatory requirements and evolving ESG expectations.



## INPEX Corporation

### INPEX Idemitsu Norge is part of INPEX Corporation, one of Japan's leading energy development companies



INPEX is Japan's largest oil and gas exploration and production company, with operations spanning multiple continents.

The company is committed to building a cleaner upstream portfolio while providing lower-carbon solutions leveraging CCS and hydrogen and

driving initiatives in the energy and resources fields.

Through these efforts, INPEX seeks to establish itself as a leader in the energy sector by delivering reliable and efficient energy to customers and supporting the global transition to net-zero emissions by 2050.

INPEX Vision 2035 – Realising a Responsible Energy Transition – outlines the company's long-term strategy through 2035, reflecting the evolving business environment in which it operates. It also sets out the medium-term business plan for 2025 to 2027, including key priorities and objectives.

Recognising the global shift toward a net-zero carbon society as both a challenge and an opportunity, INPEX intends to grow its business in alignment with these developments.

For more information, please visit [INPEX corporate website](#).



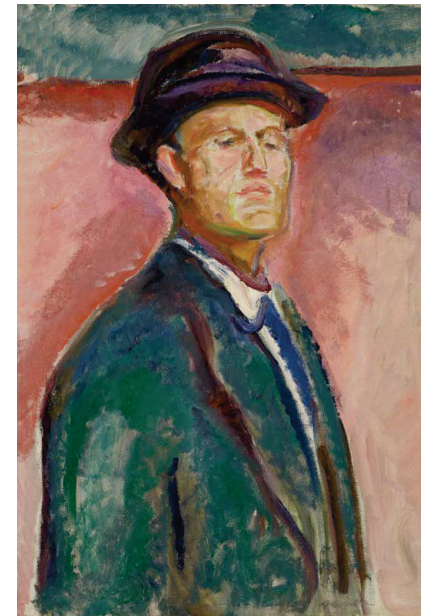
## INPEX Idemitsu and MUNCH

**For nearly 35 years, INPEX Idemitsu has supported MUNCH, contributing to a well-established cultural institution that serves both the local community and visitors to Oslo.**

Art plays an important role in bringing people together and offering new perspectives. Through our association with MUNCH, we are connected to a platform that promotes creativity and cultural exchange.

As the home of Edvard Munch, a central figure in Modernism, the museum provides access to a significant artistic legacy with international relevance.

MUNCH also works to make art accessible and inclusive. We hope our support can contribute to engaging a broad audience and to fostering a space for dialogue and shared experiences.



Self-Portrait with Hat 1913-1915.  
Oil on canvas.



# Directors' Report 2025



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### THE NATURE AND LOCATION OF THE BUSINESS

INPEX Idemitsu Norge AS (“Company/ IIN”) is engaged in the exploration for and development and production of crude oil and natural gas and related activities on the Norwegian Continental Shelf (“NCS”). The Company holds strategic positions in all areas of the NCS. 2025 was a successful year, where IIN in line with its growth ambitions added both reserves and resources to the Company portfolio. The acquisition of interests in the Valhall and Hod fields, two appraisal phase discoveries and exploration acreage from Pandion Energy (“Pandion Transaction”) and the submission of the Plan for Development and Operation (“PDO”) for the Fram Sør field.

The Company was established on 25 September 1989 and the IIN office is located in the municipality of Bærum, Norway. The Company changed its name from Idemitsu Petroleum Norge AS to INPEX Idemitsu Norge AS on 31 January 2022, following the acquisition by INPEX Corporation of a majority shareholding in Company’s holding company, the Japan registered INPEX Norway Co., Ltd (“INPEX Norway”), and the subsequent merger with INPEX Norge AS. 50.5 % of the shares in INPEX Norway is held by INPEX Corporation, the remaining 49.5 % is held by Idemitsu Kosan Co., Ltd.

The Company entered the NCS by acquiring a 9.6 % interest in production licences (PL) 057 and 089 in the Tampen Area of the Northern North

Sea, securing production from the Snorre, Tordis, Statfjord Øst, Sygna, and Vigdis fields. The Company’s business has since developed by means of organic growth (through exploration and development) and corporate and asset acquisitions.

In 2025, key Company milestones include approval of the PDO for the Fram Sør project, tying the Blasto and Echino Sør discoveries into the Fram facilities, and the Pandion Transaction, which included a 10 % interest in the Valhall and Hod fields from Pandion Energy and 20 % interests in the Slagugle and Mistral discoveries, which completed in Q4 2025. Both the Valhall and Hod fields are in production, adding a daily production of approximately 5000 bbl of oil equivalents to Compa-



ny's portfolio and providing access to new strategic areas in the Central North Sea and the Norwegian Sea.

Another 2025 milestone was the acquisition of a 30 % interest in the Trudvang CCS project from Sval Energi, an important step in the Company's sustainability strategy, which also comprises an interest in the offshore wind farm Hywind Tampen, which supplies electricity to e.g. the Snorre platform.

At year-end 2025, Company had interests in ten producing fields on the NCS, with a daily production of 27 000 bbl of oil equivalents. The Company's total NCS licence portfolio consisted of interests in almost 50 oil and gas production licences and one exploration licence for CO<sub>2</sub> storage. The Pandion Transaction and the Fram Sør PDO were the primary drivers behind the Company's increase of aggregate reserves from 70.44 MMbbl oil equivalents at year-end 2024 to 100.9 MMbbl oil equivalents at the end of 2025.

### **GOING CONCERN**

In accordance with Section 2-2 (8) of the Accounting Act, the Company's Board of Directors ("Board") confirms that the going concern assumption is satisfied and this assumption has been applied in the preparation of the accounts.

### **EXPLORATION & PORTFOLIO**

The Company participated in three exploration wells in 2025: two in the Northern North Sea and one in the Vøring Basin in the Norwegian Sea.

Exploration well 35/11-31 S targeted the F-Sør prospect in PL 090 in the greater Fram area in the Northern North Sea. The well's primary target was proving petroleum in reservoir rocks from the Late Jurassic (Sognefjord Formation), and secondarily proving petroleum in reservoir rocks from the Middle Jurassic (Brent Group) and the Late Paleocene. The well encountered oil in the Sognefjord Formation and gas in the Brent Group and the licencees will evaluate the discovery for development

via future or existing Fram infrastructure to the Troll C platform.

In the Vøring Basin, well 6606/4-1 S in PL 1194 drilled the Hoffmann prospect, south-west of the Aasta Hansteen field. The objective of the well was to prove petroleum in Upper Cretaceous reservoir rocks in the Nise Formation. The well is classified as dry, with gas shows.

Wells 35/8-8 S and 35/8-8 A were drilled in PL 248 LS and PL 248 B, which are part of the Vega Unit. The primary target for well 35/8-8 S was proving petroleum in reservoir rocks from the Middle Jurassic (Brent Group) and the Early Jurassic (Cook Formation). Gas was encountered in the Tarbert Formation in the Brent Group, the Etive Formation (Brent Group) and in the Early Jurassic (Drake Formation). The primary target for well 35/8-8 A was proving petroleum in reservoir rocks from the Middle Jurassic (Brent Group), and a gas column was encountered in the Ness Formation (Brent Group). The discovery will be evaluated for commerciality.



In the Awards in Predefined Areas (APA) 2024, Company was awarded interests in eight production licences, of which three are in the Vøring Basin and five are in the Northern North Sea, of which Company is appointed as the operator of two. The Company intends to actively participate in future licensing rounds, both as operator and as partner. The acquisition of the Valhall and Hod fields in the Central North Sea and the Mistral and Slagugle discoveries in the Norwegian Sea secured access to new geographical and strategically important areas for the Company.

There are several promising discoveries in Company's portfolio, and Company is working with the operators to find robust development solutions in terms of commodity price sensitivity and climate emissions.

#### **DEVELOPMENT, PRODUCTION & OPERATIONS**

The oil and gas production from Company's producing fields increased by 5 % compared to 2024, caused by the

addition of the Valhall and Hod fields. The Company's oil production increased by 15 %, while the gas production decreased by 17 %, mainly due to choke back of high water producing wells on Fram. An increase in gas production is expected when Duva commences the blowdown phase. The company's total reserves increased from 70.44 MMbbl oil equivalents to 100.9 MMbbl, mainly due to the acquisition of interests in the Valhall and Hod fields, and the addition of reserves in the Fram Sør project that passed DG 3 (financial investment decision) in June 2025.

In the Tampen area, the aggregate production from the Snorre, Tordis and Vigdis fields was stable, with Vigdis and Tordis producing above budget due to contribution of new wells and well intervention, and Snorre producing marginally below the budgeted volume. The Hywind Tampen offshore wind farm has been in operation throughout 2025, achieving net annual CO<sub>2</sub> savings of 113, 000 tonnes, with an availability above 90 % and a capacity factor of

51.6 %, thereby marking the best year for Hywind Tampen since its start-up and outperforming expectations set out in the project's PDO.

In the Fram area, daily oil production was stable, whereas gas produced below expectations due to choke back of high water cut wells with high Gas Oil Ratio (GOR). The Fram Sør project successfully passed DG3 in June 2025, and the PDO was approved by the authorities in August.

The Duva field achieved its fourth year of full production. Despite an anticipated decline in production, the Duva field produced significantly above its planned production volume, primarily due to sufficient capacity at the receiving facilities at the Gjøa host platform and better performance of the wells.

In the Barents Sea, the Wisting Reshape Project (WRP) resumed activity immediately after the decision in December 2022 to postpone the planned investment decision. The Wisting Reshape



Project has passed DG1 (Concept Select) and the licence is working on maturing the development concept targeting a DG2 in 2026. Also in the Barents Sea, the Alta discovery is being matured with the aim of development, evaluating both stand-alone and tieback (NOK) solutions.

In the Valhall area, the execution of the PWP project is ongoing, adding new slots and gross reserves of 70 MMbbl oil equivalents. Further IOR potential is identified in infill wells and new technology, which will be matured further. The start up of production is in 2027.

The decommissioning of the Knarr field is being executed according to plan and is expected to be completed by 1 May 2028.

The Company's portfolio contains a number of discoveries in near vicinity of existing infrastructure, which are being matured for PDO submission with the aim of development as subsea tiebacks. These discoveries are Dugong

discovery (PL 882), Grosbeak (PL 090 JS), Kveikje (PL 293 B), Mulder (PL 090) and Cerisa (PL 636). In addition, the Pandion Transaction added the Slagugle (PL 891) and Mistral (PL 1119) discoveries to the Company's appraisal phase portfolio. Both discoveries are located in the Norwegian Sea and planned to be developed as subsea tiebacks to nearby infrastructure.

During 2025, Company acquired an interest in the EXL007 licence, known as the Trudvang CCS (carbon capture and storage) project. Located in the Northern North Sea, the project targets injection of CO<sub>2</sub> into the Utsira formation. Focusing on flexible, safe and cost competitive solutions, the partners are maturing the project to offer an attractive project to customers. A milestone was met in the Trudvang project in June 2025 with the passing of DG1, and subsequent initiation of the public consultation process for the Environmental Impact Assessment program.

## REPORT ON THE ANNUAL ACCOUNTS

### (1) Statements of revenue

The Company posted profit after tax of NOK 620 million in 2025, a reduction from NOK 1 364 million in 2024. The decrease in profit is primarily due to lower commodity prices and weaker USD. Crude oil revenue decreased by 27 %, while dry gas revenue decreased by 15 %.

Production cost, depreciation, and process tariffs increased compared to 2024 due to the newly acquired producing fields Valhall and Hod. Gas transportation costs have decreased due to lower gas production. Other production costs are relatively stable.

The Company has reviewed its producing fields and exploration assets for potential impairment loss. Based on this review, it has been concluded that no impairment is required for Company's producing fields or capitalised exploration wells in 2025.



The Company has significant interest income from its deposits in the INPEX group's cash pooling arrangement. Net FX gain/loss is limited due to a balanced exposure in USD.

## **(2) Balance sheets**

The Company has no long-term loans at year-end 2025. A dividend of 614 million NOK was paid to the shareholder in December 2025. Equity represents 45 % of total assets as of 31 December 2025.

The asset value of production facilities in operation increased by 97 % in 2025, mainly caused by the acquisition of a 10 % participating interest in the Valhall and Hod fields under the Pandion Transaction. Significant investments have also been made at the Snorre field.

Goodwill of NOK 1,515 million has been booked in relation to assets acquired under the Pandion Transaction, in accordance with IFRS 3 Business Combinations.

Exploration wells capitalised under the "Successful Efforts" method increased by NOK 38 million, mainly due to the acquisition of a participating interest in the Mistral discovery.

Provision for Asset Retirement Obligations (ARO) has increased by 93 %. This is primarily due to the acquisition of a 10 % participating interest in the Valhall and Hod fields.

Payable tax liability has decreased significantly compared to 2024 due to lower profit and high investments deductible under the special tax regime.

## **(3) Cash flow statements**

Total investments in production facilities in 2025 amounted to NOK 1,290 million, compared to NOK 483 million in 2024.

A large part of the investments relate to the Fram Sør development, for which the PDO was approved in August 2025.

There have also been significant investments in the facilities at the Snorre, Vigdis, and Tordis fields in order to maintain optimal production in the

forthcoming years. Investments in Valhall and Hod are reflected from completion of the acquisition, which was 31 October 2025.

The cash flow from operations is significantly lower than the operating profit. The primary differences between cash flow from operations and operating profit can be attributed to depreciation and tax payments. Tax payments were close to NOK 2.7 billion in 2025. The cash flow from operations has also been impacted by decommissioning expenditure, mainly related to the Knarr and Snorre fields.

Excess cash is deposited in the INPEX group's cash pooling arrangement. The consideration paid for the Pandion Transaction is the dominant cause of the substantial reduction of cash deposits in 2025.

The Board is not aware of any matters that are important for an assessment of the Company's position and results that are not set out in the annual accounts.



Similarly, no matters have occurred after the end of the financial year that in the opinion of the Board are material to an assessment of the accounts.

## FINANCIAL RISK

### General information relevant to financial risks

The Company's activities expose the Company to market risk (including commodity price risk and currency risk), liquidity risk, and credit risk. The Company's approach to risk management includes assessing and managing risk with a focus on achieving the highest risk adjusted returns for its shareholder.

### Commodity price risk

The Company operates in the crude oil and natural gas market and is exposed to fluctuations in oil and gas prices that can affect revenues. No hedging activities are carried out to reduce the market price risk.

### Currency risk

The Company has most of its income in USD and cost in NOK. Most of the USD to NOK currency exchange risk is covered by short-term foreign exchange contracts. Risk reductions by using the aforementioned financial instruments will never exceed the actual risk position.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet obligations of financial liabilities when they become due. The purpose of liquidity management is to make certain that the Company always has sufficient funds available to cover its financial liabilities. The Company has no long-term loans and a comfortable cash position. The cash flow from fields in production is strong and sufficient to cover the Company's financial obligations even when the crude oil price is relatively low. It is expected that the Company will have substantial loan capacity based on the security of its producing assets.

### Credit risk

Credit risk arises from cash and cash equivalents, favourable derivative financial instruments, and deposits with banks and financial institutions. There are also minor credit exposures related to trade receivables and joint venture overcalls toward licence partners. The Company's licence partners are to our knowledge credit-worthy oil companies, and cash and cash equivalents are receivable from banks and the INPEX group.

## HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Company promotes a culture where Health, Safety and Environment (HSE) excellence is considered a business imperative. Ensuring safety and health at work remains IIN's shared top priority, aiming to maintain a safe, comfortable and zero-incident workplace, rooted in Company's safety culture. As part of Company culture, all employees are encouraged and empowered to speak up and take action to stay safe, always looking for ways to improve.



There were no major accidents, or incidents resulting in fatalities, related to our activities in 2025. A total of 51 safety incidents were reported to authorities on our partner-operated licences during 2025 (45 in 2024). The partner-operated licences also publish annual environmental reports in a standard format.

As part of Company's see-to-it duty, Company follows up activities and HSE performance and incidents in partner workshops and by actively participating in all partner-led follow-up activities. Company oversees partner-operated exploration, field development, production, and decommissioning activities through independent evaluation and reviews of applications and plans to ensure these are in accordance with Norwegian regulations and Company's expectations.

Company remains committed to maintaining a vibrant workspace by promoting employee health and maintaining and improving the work environment in order to prevent and

mitigate long-term sick leave. The total sick leave for 2025 remains low at 2.23 % of total expected employee workdays (1.03 % in 2024).

During 2025, Company continued to improve the Company Management System (CMS) by updating existing documents and processes. An extensive update was undertaken to introduce new elements to the CMS addressing obligations as an operator of drilling projects aligned with local requirements and the INPEX policies and procedures. In addition, recommendations from an independent review of the CMS (undertaken in Q4 2024) were implemented to improve the management system further.

### **ORGANISATION, EMPLOYEES, AND WORKING ENVIRONMENT**

At year-end 2025, Company had 80 employees, and a total of 89 staff members.

The Company maintains an organisational structure designed to support

safe, efficient, and compliant operations. The Board regards the organisation as being resilient, with the necessary competence and capacity to meet operational, regulatory, and strategic requirements of the business.

Employees represent the Company's key resource, and workforce-related factors form part of the Company's overall risk management framework. The Board monitors factors such as competence availability, succession, and working environment conditions to ensure long-term operational sustainability.

Cooperation between management and employees is conducted in accordance with the Working Environment Act through established dialogues with the Safety Delegate and Employee Representative. Two employee-elected members to the Board are in place in line with statutory requirements.

Working conditions and remuneration are based on principles of fairness and transparency aligned with applicable



legislation and industry practice.

In accordance with the Norwegian Transparency Act, the Company conducted due diligence assessments during the year related to fundamental human rights and decent working conditions within its operations and supply chain, as part of its governance processes. The Transparency Act Due Diligence Account for 2024 was published on Company's website on 19 June 2025.

### **EQUALITY, DIVERSITY, AND NON-DISCRIMINATION**

The Company fulfils its statutory duty to work actively, targeted, and systematically to promote equality and prevent discrimination in accordance with the Equality and Anti-Discrimination Act and the statutory activity and reporting duty.

This work is integrated into management responsibilities, Company policies, and governance processes. The Company applies policies and management measures to ensure equal treatment in all employment matters.

At year-end 2025, women accounted for 31 % of total employees, 29 % of the Management Committee and 40 % of the Board. The Company recognises that its female representation within technical positions reflects structural imbalances characteristic for the industry and therefore works systematically to promote improved gender balance.

No incidents were reported through the whistleblowing channel in 2025, reflecting our ongoing efforts to maintain a transparent, compliant and respectful workplace.

For more detailed insights on our DE&I (diversity, equality and inclusion) initiatives and outcomes, please refer to the relevant chapter in the annual report.

### **RESEARCH AND DEVELOPMENT (R&D) ACTIVITIES**

The Company participates in several common industry R&D projects relevant for the Company's activities in open and licensed exploration areas and in

producing fields. The Company also contributes significant amounts to general and specific R&D activities undertaken by the operators of the fields in which Company has a participating interest.

### **PAYMENTS TO AUTHORITIES**

The Company has prepared a report about payments to authorities in accordance with Section 2-10 of the Accounting Act, which has been published on the Company's website, [www.inpex-idemitsu.no](http://www.inpex-idemitsu.no).

### **OUTLOOK**

The Company's annual profits are closely linked to the prices of crude oil and dry gas and foreign exchange rates. These elements are subject to fluctuation and are difficult to estimate. The oil and gas prices have decreased slightly compared to 2024. Product prices are expected to remain around current levels in 2026.

Due to the stable income from the Company's producing fields with a low/



moderate cost level, Company can be profitable even at fairly low crude oil price levels. The Company's liquidity is robust, and it currently has substantial deposits and no long-term loans. It is assumed that the Company has significant borrowing capacity both on a stand-alone basis and with backing from the INPEX group. On this basis,

the Board is confident that the going concern assumption remains valid.

The annual profit is also affected by the crude oil and gas production and its sales volumes. All Company's producing fields are at a declining stage. However, several portfolio discoveries in various phases of development or

pre-development are expected to contribute to maintaining the production levels in the coming years.

### **ANNUAL RESULT AND ALLOCATIONS**

In 2025, the Company had a result after tax of NOK 620 282 437, which is proposed to be allocated as follows:

#### **DISPOSITION**

AMOUNT IN NOK

Allocation to dividend	0
To other equity	620 282 437

Lysaker, 12 March 2026 / The board of INPEX Idemitsu Norge AS

#### **Shiki Tesaki**

Member of the board/  
Managing Director

#### **Johan Korsmoe**

Chairman of the board

#### **Hiroyuki Matsui**

Member of the board

#### **Risa Kanayama**

Member of the board

#### **Ayako Nonoue**

Member of the board

#### **Øivind Frey**

Member of the board

#### **Ann-Helen Aamodt**

Member of the board



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# Financial Statement



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## Statements of revenue

AMOUNTS IN '000 NOK

	NOTE	2025	2024
Revenue	5	5 695 910	7 507 672
Other operating income	3, 5	20 573	140 460
<b>Total operating income</b>		<b>5 716 483</b>	<b>7 648 133</b>
Operating expenses	6	1 173 952	1 061 804
Exploration expenses	6	901 489	642 800
Personnel expenses	7, 8	268 313	270 251
Depreciation and amortisation	12, 13	1 133 539	944 235
Other administrative expenses	7, 20	67 866	68 392
<b>Total operating expenses</b>		<b>3 545 159</b>	<b>2 987 483</b>
<b>OPERATING PROFIT</b>		<b>2 171 324</b>	<b>4 660 650</b>





AMOUNTS IN '000 NOK

	NOTE	2025	2024
Financial income		1 115 623	1 328 507
Financial expenses		949 400	1 035 395
<b>Net financial items</b>	<b>10, 24</b>	<b>166 223</b>	<b>293 112</b>
<b>Net profit before tax</b>		<b>2 337 547</b>	<b>4 953 762</b>
Income tax expense	11	1 717 265	3 589 476
<b>Net profit after tax</b>		<b>620 282</b>	<b>1 364 286</b>
<b>NET PROFIT OR LOSS</b>		<b>620 282</b>	<b>1 364 286</b>
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>			
Net actuarial gain/loss	8	-231	-3 070
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>620 052</b>	<b>1 361 216</b>



## Balance sheets

AMOUNTS IN '000 NOK

	NOTE	2025	2024
<b>NON-CURRENT ASSETS</b>			
<b>INTANGIBLE ASSETS</b>			
Goodwill	13	1 515 391	0
Successful efforts exploration wells	4, 13	1 184 851	1 146 361
<b>Total intangible assets</b>		<b>2 700 242</b>	<b>1 146 361</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
Production facilities in operation	4, 12, 18	8 184 738	4 154 775
Production facilities under development	12	391 739	0
Equipment and other movables	12	14 029	19 556
<b>Total property, plant, and equipment</b>		<b>8 590 506</b>	<b>4 174 331</b>
<b>NON-CURRENT FINANCIAL ASSETS</b>			
Investments in associated companies	24	266 588	0
Other long-term receivables		63 142	72 852
<b>Total non-current financial assets</b>		<b>329 730</b>	<b>72 852</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>11 620 478</b>	<b>5 393 545</b>





AMOUNTS IN '000 NOK

	NOTE	2025	2024
<b>CURRENT ASSETS</b>			
Inventories	23	370 007	105 809
<b>DEBTORS</b>			
Accounts receivables		187 208	362 764
Other short-term receivables	15	597 350	340 703
Receivables from group companies	21	2 989 397	7 329 616
<b>Total receivables</b>		<b>3 773 954</b>	<b>8 033 083</b>
<b>INVESTMENTS</b>			
Cash and cash equivalents	2, 9	659 968	292 049
<b>TOTAL CURRENT ASSETS</b>		<b>4 803 930</b>	<b>8 430 942</b>
<b>TOTAL ASSETS</b>		<b>16 424 408</b>	<b>13 824 487</b>



## Balance sheets

AMOUNTS IN '000 NOK

	NOTE	2025	2024
<b>EQUITY</b>			
<b>PAID-IN CAPITAL</b>			
Share capital	16	727 900	727 900
<b>Total paid-up equity</b>		<b>727 900</b>	<b>727 900</b>
<b>RETAINED EARNINGS</b>			
Other equity	16	6 662 659	6 656 107
<b>Total retained earnings</b>		<b>6 662 659</b>	<b>6 656 107</b>
<b>TOTAL EQUITY</b>		<b>7 390 559</b>	<b>7 384 007</b>
<b>LIABILITIES</b>			
<b>PROVISIONS</b>			
Employee benefit obligations	8	77 443	85 490
Deferred tax	11	3 355 721	1 560 878
Asset retirement obligations (ARO)	17	4 291 408	2 219 746
Lease liability	19	2 454	7 204
Other provisions		21 914	21 914
<b>Total provisions</b>		<b>7 748 941</b>	<b>3 895 232</b>


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AMOUNTS IN '000 NOK

	NOTE	2025	2024
<b>CURRENT LIABILITIES</b>			
Trade payables		389 638	120 093
Tax payable	11	39 175	1 817 398
Public duties payable		16 216	28 538
Liabilities to group companies	21	43	49
Short-term part of lease liability	19	4 720	4 720
Short-term part of asset retirement obligation	17	197 364	92 548
Other current liabilities	15	637 753	481 902
<b>Total current liabilities</b>		<b>1 284 909</b>	<b>2 545 248</b>
<b>TOTAL LIABILITIES</b>		<b>9 033 850</b>	<b>6 440 480</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16 424 408</b>	<b>13 824 487</b>

Lysaker, 12 March 2026 / The board of INPEX Idemitsu Norge AS

**Shiki Tesaki**  
Member of the board/  
Managing Director

**Johan Korsmoe**  
Chairman of the board

**Hiroyuki Matsui**  
Member of the board

**Risa Kanayama**  
Member of the board

**Ayako Nonoue**  
Member of the board

**Øivind Frey**  
Member of the board

**Ann-Helen Aamodt**  
Member of the board


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## Indirect cash flow

AMOUNTS IN '000 NOK

	NOTE	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/loss before tax		2 337 547	4 953 762
Taxation paid/received	11	2 689 988	3 895 515
Loss/gain on the sale of fixed assets	5	0	-126 971
Depreciation, amortisation, and net impairment loss	12, 14	1 133 539	944 235
Change in inventory	23	105 848	12 592
Change in accounts receivable		175 557	-103 104
Change in accounts payable		90 387	2 583
Interest cost on asset retirement obligations	17	98 433	76 644
Interest cost on lease liability (IFRS 16)	19	306	449
Difference in expensed pension payments and payments in/out of the pension scheme	8	-9 095	-9 688
Expense of previously capitalised exploration wells		0	15 580
Decommissioning cost incurred		-72 121	-195 999
Change in other liabilities		-131 423	258 599
Change in other short-term assets		20 720	425 908
<b>Net cash flows from operating activities</b>		<b>1 059 711</b>	<b>2 359 077</b>





AMOUNTS IN '000 NOK

	NOTE	2025	2024
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
Proceeds from the sale of fixed assets	3	0	216 257
Investments in production facilities	12	-1 289 779	-483 115
Investments in furniture and office equipment	12	-2 968	-4 033
Investments in successful efforts exploration wells	13	-53 343	-406 738
Change in other long-term assets/liabilities		9 710	15 947
Payments to buy other investments		-3 079 482	0
<b>Net cash flows from investment activities</b>		<b>-4 415 862</b>	<b>-661 682</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease payments (IFRS 16)	19	-5 056	-4 928
Payment of dividend		-613 500	-668 652
Deposit in parent company		4 342 627	-992 450
<b>Net cash flows from financing activities</b>		<b>3 724 071</b>	<b>-1 666 030</b>
Net change in cash and cash equivalents		367 919	31 364
Cash and cash equivalents at the start of the period		292 049	260 685
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>659 968</b>	<b>292 049</b>



## Accounting principles

### GENERAL

The financial statements of INPEX Idemitsu Norge AS (IIN) have been prepared in accordance with simplified IFRS pursuant to the Norwegian Accounting Act § 3-9 and regulations regarding simplified application of IFRS issued by the Norwegian Ministry of Finance on 3 November 2014. Dividend is booked in accordance with the Norwegian Accounting Act, cf § 3-1 (3) of the above regulations. The accounting language for IIN is English. The functional currency is Norwegian Krone NOK.

### BASIS OF PREPARATION

The financial statements are prepared on the historical cost basis with some exceptions, as detailed in the accounting policies set out below. The subtotals

and totals in some of the tables may not equal the sum of the amounts shown due to rounding. Expenses related to operating activities in the statements of income are presented as a combination of function and nature, in conformity with industry practice. Depreciation, amortisation and net impairment losses are presented in separate lines based on their nature while operating expenses and exploration expenses are presented on a functional basis.

The Accounting Act § 6-1 requires salaries to be presented separately in the statements of income. Such detailed information is not available in the licence accounts, and salaries from the licence accounts are therefore included in the respective lines in the statements of income.

The statements of cash flow have been prepared in accordance with the indirect method. Interest in joint operations (arrangements in which IIN and other participants have joint control and each of the parties has rights to the assets and obligations for the liabilities, relating to their respective share of the arrangement) and similar arrangements (licenses) outside the scope of IFRS 11 are recognised on a line-by-line basis, reflecting the company's share of assets, liabilities, income, and expenses.

### CLASSIFICATIONS

Assets linked to the flow of goods, receivables falling due within one year, and assets not determined for permanent ownership and use are classified as current assets. Other assets are classified as non-current. Liabilities



falling due within one year are classified as current liabilities. Other liabilities are classified as non-current. Cash and cash equivalents include bank deposits.

### **REVENUE RECOGNITION**

IFRS 15 applies, with limited exceptions, to all revenue arising from contracts with customers. IIN recognises revenue upon satisfaction of the performance obligations for the amounts that reflect the consideration entitled in exchange for goods. Revenue associated with the sale and transportation of crude oil, natural gas and petroleum products, and other merchandise are recognised when a customer obtains control of the goods, which normally will be when title passes at point of delivery of the goods, based on the contractual terms of the agreements. When IIN has lifted and sold more than the ownership interest, an accrual is recognised for the cost of the overlift. When IIN has sold less than the ownership interest, costs

are deferred for the underlift. Tariff revenue and other revenue is recognised when title and risk pass to the customer.

### **DEFERRED TAXES / TAX EXPENSE**

Tax expense comprises payable tax and deferred tax. The deferred tax asset or liability is calculated based upon net temporary differences between assets and liabilities recognised in the financial statements and their bases for tax purposes after offsetting for tax loss carry-forwards and special tax deductions. The full liability method is followed and the asset or liability is not discounted to a net present value. Tax rates for corporate tax (22 %) and special tax (71.8 %) are used when calculating deferred tax. For corporate tax, offshore development costs are depreciated straight line over 6 years. For special tax, such development costs are expensed in the year of investment. Capital expenses on the Norwegian

Continental Shelf for PDOs submitted after 31.12.2021 no longer earn uplift on the total capital expenses. The effect of uplift from previous years is recognised as earned in the year it becomes deductible and included in payable tax calculation. No deferred tax asset is recognised for uplift that will become deductible in the future.

### **PROPERTY, PLANT, AND EQUIPMENT**

Property, plant and equipment are reflected at cost, less accumulated depreciation and accumulated impairment losses.

Expenditure on major maintenance or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will flow to the company, the



expenditure is capitalised. All other maintenance costs are expensed as incurred.

Oil and gas producing properties are depreciated individually using the unit-of-production (U.O.P.) method as proved and probable developed reserves are produced. The rate of depreciation is equal to the ratio of oil and gas production for the period over the estimated remaining proved and probable reserves expected to be recovered at the beginning of the period. Any changes in the reserves estimate that affect unit-of-production calculations, are accounted for prospectively over the revised remaining reserves. Oil and gas producing assets are depreciated on a field level. Fields in development stage will not be amortised before production from that field commences. The company includes undeveloped reserves (proved and probable reserves but not contin-

gent resources) in the denominator, and consequently includes the future development expenditures necessary to bring those reserves into production in the basis for depreciation.

The estimated useful lives of property, plant and equipment are reviewed on an annual basis and changes in useful lives are accounted for prospectively. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

If the net recorded value after deduction of accumulated depreciation for a field exceeds its net present value (calculated as future cash flows discounted at the weighted average cost of capital), an impairment loss is charged. For the purpose of impairment testing, assets are grouped together at the lowest possible level at which asset-specific

cash flows can be identified. Future cash flows are based on oil price forecasts, dry gas forward prices, USD/NOK rate at the balance sheet date and long-term forecasts for production and expenditure. Previous impairment is reversed if the basis for impairment is no longer present.

#### **PRODUCTION RIGHTS**

Production rights (cost related to the acquisition of licences) related to unproved property are initially classified as intangible assets. Production rights are reclassified from Intangible assets to Production facilities under development after the plan for development has been approved. Production rights are depreciated using the U.O.P. method from start-up of production together with the field development costs.



### **FURNITURE, FIXTURES, AND CARS**

Fixed assets are recorded in the balance sheet at cost after deduction of accumulated ordinary depreciation. Ordinary depreciation is based on cost and is calculated on a straight line basis over the estimated economic life of the asset, which is 3 or 5 years.

### **EXPLORATION COSTS**

Exploration costs are accounted for in accordance with the Successful efforts method. Under this method, all costs associated with the exploration of licences are expensed as incurred, with the exception of drilling and testing costs of exploration wells where a commercial discovery is made. Exploration wells where the status of a discovery is pending are initially capitalised as Intangible assets, and impaired fully if the discovery is later deemed non-commercial. If a pending well turns out to be dry or non-commercial after

the balance sheet date but before the account closing date, such information is recognised as a subsequent event and the drilling and testing cost for the well is fully expensed. Exploration costs can remain capitalised for more than one year. The main criteria for continued capitalisation are that there must be concrete plans for future drilling in the licence, a development decision is expected in the near future, or the well is pending capacity on existing infrastructure.

If the well discovers commercial reserves, the capitalised exploration costs are reclassified to Production facilities under development after the plan for development has been approved. Exploration costs are depreciated using the U.O.P. method from start-up of production together with the field development costs.

### **BUSINESS COMBINATION AND GOODWILL**

Business combinations are accounted for using the acquisition method. Consideration transferred is measured at fair value at the acquisition date and includes any non-controlling interests (NCI).

Acquisition-related costs are recognised in profit or loss as incurred.

An acquisition is accounted for as a business combination when the acquired activities and assets include inputs and substantive processes that together significantly contribute to the ability to generate outputs. At the acquisition date, the Company assesses the classification of acquired financial assets and liabilities in accordance with contractual terms and relevant conditions, including the identification of embedded derivatives.



Contingent consideration is recognised at fair value at the acquisition date. Contingent consideration classified as equity is not subsequently remeasured. Contingent consideration classified as an asset or liability is subsequently measured at fair value, with changes recognised in profit or loss.

Goodwill arising from a business combination is allocated to the cash-generating unit (CGU), or group of CGUs, that is expected to benefit from the synergies of the combination. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For acquisitions completed on a post-tax basis under the NCS rules, a deferred tax provision is recognised in relation to the difference between the acquisition cost and the tax depreciation base transferred from the seller. The corresponding entry for this deferred tax

provision is recognised as goodwill and allocated to the CGU or group of CGUs to which the related tax depreciation base applies. This is often referred to as technical goodwill.

#### **INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES**

The Company holds interests in associated companies and joint ventures where it exercises significant influence or joint control.

Significant influence is generally presumed when the Company owns 20 % or more of the voting rights; otherwise, management assesses factors such as board representation and involvement in key decision making. The statement of revenue in Net financial items, reflects the Company's share of the result of operations of the associate or joint venture.

These investments are accounted for using the equity method, based on the same reporting period as the Company. Under the equity method, investments are initially recognised at cost and subsequently adjusted for the Company's share of changes in the investee's net assets since acquisition.

#### **ASSET RETIREMENT OBLIGATIONS (ARO)**

Provisions for ARO are recognised when the company has an obligation (legal or constructive) to dismantle and remove a facility or an item of property, plant and equipment and to restore the site on which it is located, and when a reasonable estimate of that liability can be made. The amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. Cost is estimated based on current regulation and technology, considering relevant



risks and uncertainties. The discount rate used in the calculation of the ARO is determined using an estimated risk free interest rate.

Normally an obligation arises for a new facility, such as an oil and natural gas production or transportation facility, upon construction or installation. The provisions are classified under Provisions in the balance sheets.

When a provision for ARO is recognised, a corresponding amount is recognised to increase the related property, plant and equipment and is subsequently depreciated as part of the costs of the facility or item of property, plant and equipment. Any change in the present value of the estimated expenditures is reflected as an adjustment to the provision and the corresponding property, plant, and equipment. When a decrease in the ARO provision related to a producing asset exceeds

the carrying amount of the asset, the excess is recognised as a reduction of depreciation, amortisation, and net impairment losses in the statements of income. When an asset has reached the end of its useful life, all subsequent changes to the ARO provision are recognised as they occur in operating expenses in the statements of income.

#### **LEASING**

IIN has one lease agreement within the scope of IFRS 16, as a lessee. For this lease agreement the company has recognised a lease liability and a corresponding Right-of-Use (RoU) asset in the balance sheet. IIN has applied a prospective approach with no restatement of comparative figures. The lease liability at the date of the initial application was measured at the present value of the remaining lease payments, discounted using the company's approximate incremental borrowing rate of 3.2 %. The borrowing

rate is derived from the terms of the group's existing credit facilities. RoU assets are depreciated straight line over the lease term as this is ordinarily shorter than the useful life of the assets.

IIN has applied the exemption for short-term leases (12 months or less) and low value leases.

#### **PENSION COSTS**

The company finances a collective defined benefit retirement plan and a collective defined contribution retirement plan which cover all its local employees. These plans are administered by a Norwegian insurance company.

In accordance with actuarial calculations the net present value of the future pension obligations is estimated and compared with the value of all funds paid and previously saved. The difference is shown in the balance



sheets under Provision for liabilities or Financial fixed assets. Paid pension premiums and changes in net liability are recorded under Personnel expenses in the statements of income, except for Remeasurement gain/loss which is included in Other comprehensive income.

Pension obligations are recorded in accordance with IAS 19.

#### **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are translated at the exchange rates prevailing at the time of the transaction. Unrealised gains and losses arising from the individual revaluation of long-term assets and liabilities at year-end rates are recognised through the statements of income. Short-term assets and liabilities are revalued individually at year-end rates, and unrealised gains and losses are

recognised through the statements of income.

#### **FINANCIAL INSTRUMENTS**

Financial instruments, which

- are classified as current assets,
- are included in a trading portfolio, and held with the intention to sell
- are traded on a stock exchange, authorised market or equivalent regulated foreign market, and
- have satisfactory diversity of ownership and liquidity

are recognised at fair value on the balance sheet date. Other investments are recognised at the lower of average acquisition cost and fair value at the balance sheet date.

#### **ACCOUNTS RECEIVABLE**

Trade receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables.

#### **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash, bank deposits, and other short-term highly liquid investments with an original due date of three months or less.

#### **INVENTORIES AND OVER-/UNDERLIFT OF PETROLEUM PRODUCTS**

Inventories are recognised at the lower of cost and net realisable value and booked under Current assets. Liabilities arising from lifting more than the company's share of the field's petroleum production (overlifting) are valued at production cost, and booked under Other current debt. Full production cost including indirect cost is used for crude oil. For natural gas liquids and dry gas, full production cost after separation from crude oil is included.



**RESEARCH AND DEVELOPMENT**

The company's research and development costs are expensed as incurred.

**CHANGES IN ACCOUNTING STANDARDS**

No changes in accounting standards with effect for IIN came into force in 2025.

**CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Preparation of the financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, as well as disclosures of contingencies. Actual results may ultimately differ from the estimates and assumptions used. The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates will be recognised when new estimates can be determined with certainty. The

matters described below are considered to be the most important in understanding the key sources of estimation uncertainty that are involved in preparing the financial statements and the uncertainty that could most significantly impact the amounts reported on the result of operations, financial position, and cash flows.

**Proved and probable oil and gas reserves**

Proved and probable oil and gas reserves have been estimated on the basis of industry standards. The estimates are based on internal information and information received from the operators. Proved and probable oil and gas reserves consist of the estimated quantities of crude oil, natural gas, and condensates shown by geological and technical data to be recoverable with reasonable certainty from known reservoirs under existing economic and operational conditions,

i.e. on the date that the estimates are prepared. Current market prices are used in the estimates. Proved and probable reserves and production volumes are used to calculate the depreciation of oil and gas fields by applying the unit-of-production methodology. Reserve estimates are also used as basis for impairment testing of licence-related assets. Changes in petroleum prices and cost estimates may change reserve estimates and accordingly economic cut-off, which may impact the timing of assumed decommissioning and removal activities. Changes to reserve estimates can also be caused by updated production and reservoir information. Future changes to proved and probable oil and gas reserves can have a material effect on depreciation, life-of-field, impairment of licence-related assets, and operating results. Reference is made to note 18.



### **Carrying value of intangible exploration and evaluation assets**

Where a project is sufficiently advanced, the recoverability of intangible exploration assets is assessed by comparing the carrying value to internal and operator estimates of the net present value of projects. Intangible exploration assets are inherently judgemental to value. The amounts for intangible exploration and evaluation assets represent active exploration projects. These amounts will be written off to the statements of income as exploration cost or impairment loss unless commercial reserves are established or the determination process is not completed and there are no indications of impairment. The outcome of ongoing exploration, and therefore whether the carrying value of exploration and evaluation assets will ultimately be recovered, is inherently uncertain. Reference is made to note 13.

### **Impairment/reversal of impairment**

Changes in the expected future value/ cash flows of Cash-Generating Units (CGUs) result in impairment if the estimated recoverable amount is lower than the book value. Estimates of recoverable amount involve the application of judgment and assumptions, including in relation to the modelling of future cash flows to estimate the CGUs' value in use or fair value. The evaluation of impairment requires long-term assumptions concerning a number of often volatile economic factors, including future oil prices, oil production, currency exchange rates, and discount rates. Such assumptions require the estimation of relevant factors such as long-term prices, the levels of capex and opex, production estimates, and decommissioning costs. These evaluations are also necessary to determine a CGU's fair value unless information

can be obtained from an actual observable market transaction. Reference is made to note 12, 13, and 14.

Goodwill is tested for impairment annually or when impairment indicators are present. Indicators may be specific for an individual CGU or group of CGUs.

The majority of the goodwill is technical goodwill, reference is made to Business combinations and goodwill paragraph.

When testing technical goodwill for impairment, deferred tax recognised in connection with assets acquired in a business combination reduces the net carrying amount before any impairment is recognised. Following initial recognition, depreciation of values identified in purchase price allocations reduces the related deferred tax liability. As this deferred tax liability decreases,



a corresponding increase in the amount of goodwill subject to impairment risk arises.

**Asset retirement obligations**

The company has obligations to decommission and remove offshore installations at the end of the production period. The costs of these decommissioning and removal activities require revisions due to changes in current regulations and technology while considering relevant risks and uncertainties. Most of the removal activities are many years into the future, and the removal technology and costs are constantly changing. The estimates include assumptions of the time required and the day rates for rigs, marine operations, and heavy lift vessels that can vary considerably depending on the assumed removal complexity. As a result, the initial recognition of the liability and the capitalised cost associated with

decommissioning and removal obligations, and the subsequent adjustment of these balance sheet items, involve the application of significant judgement. Reference is made to note 17.

**Tax**

The company may incur significant amounts of income tax payable or receivable, and recognises significant changes to deferred tax or deferred tax assets. These figures are based on management's interpretation of applicable laws and regulations, and on relevant court decisions. The quality of these estimates is highly dependent on management's ability to properly apply a complex set of rules and identify changes to the existing legal framework. Reference is made to note 11.



# Notes to the Accounts



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## NOTE 1) Organisation

INPEX Idemitsu Norge AS (“IIN” or “the company”) was founded on 25 September 1989 and is incorporated and domiciled in Norway.

The address of its registered office is Lysaker Torg 25, 1366 Lysaker, Norway. IIN is a subsidiary in the INPEX Group focusing on exploration, appraisal, development, and production opportunities on the Norwegian Continental Shelf (NCS). The financial statements of the company for the period ending 31 December 2025 were authorised for issue by the Board of Directors on 12 March 2026.



## NOTE 2) Management of capital and financial risk

### MANAGEMENT OF CAPITAL

The company's objective when managing capital is to provide a stable dividend to the shareholders and at the same time keep sufficient capital to meet its committed work program requirements and future investments. The company has no long-term loans, and deposits excess liquidity in the parent company. The company is not subject to any externally imposed capital requirements. The company's objectives, processes, and policies have not been changed compared to the previous year.

### GENERAL INFORMATION RELEVANT TO FINANCIAL RISKS

IIN's activities expose the company to market risk (including commodity price risk and currency risk), liquidity risk, and credit risk. The company's approach to risk management includes assessing and managing risk with focus on achieving the highest risk-adjusted returns for the shareholders.

### COMMODITY PRICE RISK

The company operates in the crude oil and natural gas market and is exposed to fluctuations in hydrocarbon prices that can affect revenues. No hedging activities are carried out to reduce the commodity price risk.

### CURRENCY RISK

The company has most of its income in USD and cost in NOK. Most of the USD to NOK currency exchange risk is covered by short-term foreign exchange contracts. Risk reductions by using the mentioned financial instruments will never exceed the actual risk position.

### LIQUIDITY RISK

Liquidity risk is the risk that the company will not be able to meet obligations of financial liabilities when they become due. The purpose of liquidity management is to make certain that the company has sufficient funds available at all times to cover its financial

liabilities. The company has no long-term loans and a comfortable cash position. The cash flow from fields in production is strong and sufficient to cover the company's obligations even when the crude oil price is fairly low. It is expected that the company has substantial loan capacity based on the security of its producing assets.

### CREDIT RISK

Credit risk arises from cash and cash equivalents, favourable derivative financial instruments, and deposits with banks and financial institutions. There are also minor credit exposures related to trade receivable and overcall joint venture toward licence partners. The company's licence partners are to our knowledge credit worthy oil companies and cash and cash equivalents are receivable from major banks and the parent company.



## NOTE 3) Business combination, asset acquisitions and disposals

### BUSINESS COMBINATION

On 22 July 2025, INPEX Idemitsu Norge AS entered into an agreement to acquire 10% participating interest in the Valhall and Hod fields (both currently in production) and 20% participating interest in the Mistral and Slagugle discoveries (both yet to be developed) from the seller, Pandion Energy AS, for a total cash consideration of NOK 2,050 million (USD 205 million). The effective/economic date of the transaction was 1 January 2025, and the completion date was 31 October 2025 for accounting purposes.

The transaction is regarded as a business combination and has been accounted for using the acquisition method according to IFRS 3. A Purchase Price Allocation (PPA) has been performed to allocate the consideration to the fair value of assets acquired and liabilities assumed.

The total cash consideration of NOK 2,050 million was adjusted in accordance with the purchase agreement at completion, resulting in a final cash consideration of NOK 2,813 million. The amount is presented under investing activities in the cash flow statement. No contingent consideration is payable.

The goodwill recognised relates to:

- Technical goodwill, which arises from the requirement to recognise deferred tax on the difference between the assigned fair value and the tax base of assets acquired and liabilities assumed. In Norway, licences under development and licences in production can only be sold on an after-tax basis, in line with requirements from the Norwegian Ministry of Finance pursuant to the Petroleum Taxation Act. As a result, the fair value of such licences is determined based on after-tax cash flows. Nevertheless, in accordance with IAS 12, a deferred

tax liability is recognised for the difference between the fair value and the tax base, measured using the applicable tax rate. The corresponding offsetting entry is recognised as goodwill.

- Residual goodwill, which is the portion of the consideration that cannot be allocated to identifiable assets or liabilities, reflects the value of the expected synergies that can be realized from managing a larger portfolio on the Norwegian Continental Shelf, including benefits from economy of scale and the existing workforce.

The recognised goodwill is non-deductible for tax purposes.

Transactions costs were 14 million NOK and are expensed as administrative expenses in the statements of revenue.





Since the acquisition date, IIN has included in its statement of comprehensive income a revenue of NOK 307 million and an operating loss of 97 million NOK. If the acquisition had been completed on 1 January 2025, IIN statement of comprehensive income would have included an estimated 1,280 NOK million in additional revenue and an estimated 248 million NOK of operating profit.

The above PPA is preliminary and reflects the information available at acquisition date regarding the fair values of the assets. In accordance with IFRS 3, IIN may revise the fair value assessment within twelve months from the acquisition date if new information emerge that affects the initial estimates.

ACCOUNTS (AMOUNTS IN MILLION NOK)	FAIR VALUE AT ACQUISITION DATE
Goodwill	1 515
Successful efforts exploration wells	80
Property plant & equipment	4 112
<b>Total non-current assets</b>	<b>5 707</b>
Other short-term receivables	729
<b>Total current assets</b>	<b>729</b>
<b>Total assets</b>	<b>6 436</b>
Deferred tax	1 485
Asset retirement obligations (ARO)	2 119
<b>Total provisions</b>	<b>3 604</b>
Other short-term liabilities	19
Total current liabilities	19
<b>Total liabilities</b>	<b>3 623</b>
Net assets and liabilities recognised	2 813
<b>Fair value of consideration paid on acquisition</b>	<b>2 813</b>





### ACQUISITION OF EXPLORATION LICENCES

LICENCE	INTEREST ACQUIRED
PL 318 D	20 %
PL 636 D	30 %
PL 1194 C	30 %
PL 1257	30 %
PL 1263	40 %
PL 1264	60 %
PL 1274	20 %
PL 1276	50 %
PL 006 B and PL 006 G (Valhall)	10 %
PL 033 and PL 033 B (Hod)	10 %
PL 891 and PL 891 B (Slagugle)	20 %
PL 1119 (Mistral)	20 %

IIN was awarded interests in PL 318 D, PL 636 D, PL 1194 C, PL 1257, PL 1263, PL 1264, PL 1274, and PL 1276 in the 2024 APA round. Valhall, Hod, Slagugle and Mistral was acquired from Pandion Energy AS through a business combination.

### OTHER ACQUISITIONS

In December 2024, IIN signed a Sales and Purchase Agreement (SPA) for the purchase of 30 % interest in the Trudvang CCS licence from Sval Energi. The transaction date for accounting purposes was 1 February 2025, see note 24. For tax purpose effective date was 1 January 2025.

### ACQUISITION OF EXPLORATION LICENCES

LICENCE	INTEREST DISPOSED
PL 1016	40 %
PL 1129	30 %
PL 1133	10 %
PL 1170	10 %

The exploration licences PL 1016, PL 1129, PL 1133 and PL 1170 were relinquished in 2025.



## NOTE 4) Licence interests

PRODUCTION LICENCE	BLOCK(S)	PRODUCING FIELDS	OPERATOR	INTEREST
006 B	2/8	Valhall	Aker BP	10 %
006 G	2/7	Valhall	Aker BP	10 %
033	2/11	Hod	Aker BP	10 %
033 B	2/11	Hod	Aker BP	10 %
057	34/4	Snorre	Equinor	9.6 %
089	34/7	Snorre, Tordis, Vigdis	Equinor	9.6 %
090	35/11	Fram	Equinor	15 %
090 B	35/11	Byrding	Equinor	15 %
090 C	35/11	Vega Unit	Harbour	15 % <sup>1)</sup>
090 E	31/2		Equinor	15 %
090 G	35/11	Fram H-Nord	Equinor	40 % <sup>2)</sup>
090 HS	35/11		Equinor	25 %
090 I	31/2		Equinor	15 %
090 JS	35/11		Equinor	40 %
293 B	35/10		Equinor	10 %
293 CS	35/10		Equinor	10 %
318	35/2		Equinor	20 %
318 B	35/4, 5		Equinor	20 %
318 C	6203/10		Equinor	20 %

1) According to the final redetermination effective from 1 January 2020, IIN holds a 3.3 % interest in the unitised Vega field.

2) According to the final unitisation agreement with PL 248 E, IIN holds a 28.8 % interest in the unitised Fram H-Nord field





PRODUCTION LICENCE	BLOCK(S)	PRODUCING FIELDS	OPERATOR	INTEREST
318 D	35/1		Equinor	20 %
537	7324/7, 8		Equinor	10 %
537 B	7324/4		Equinor	10 %
609	7220/6,9,11,12 7221/4		AkerBP	15 %
609 B	7120/1, 2		AkerBP	15 %
609 D	7120/2		AkerBP	15 %
636	36/7	Duva	Vår Energi	30 %
636 B	36/7		Vår Energi	30 %
636 C	36/7		Vår Energi	30 %
636 D	37/7		Vår Energi	30 %
882	33/6, 34/4		Vår Energi	20 %
891	6507/5,6,8		ConocoPhillips Skandinavia	20 %
891 B	6507/8		ConocoPhillips Skandinavia	20 %
1119	6406/1,2,3,4		Equinor	20 %
1153	36/4		AkerBP	30 %
1179	31/2, 35/12, 31/3		Equinor	15 %
1194	6606/4, 6606/5, 6606/6, 6606/7, 6606/8		OMV	30 %
1194 B	6606/5		OMV	30 %
1194 C	6605/9, 6606/7		OMV	30 %
1217	35/3, 36/1, 6203/12, 6204/10		INPEX Idemitsu	40 %


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PRODUCTION LICENCE	BLOCK(S)	PRODUCING FIELDS	OPERATOR	INTEREST
1217	35/3, 36/1, 6203/12, 6204/10		INPEX Idemitsu	40 %
1219	6204/7, 6204/8, 6204/10, 6204/11		Vår Energi	50 %
1231	6605/5, 6605/6, 6605/9		OMV	30 %
1233	6605/3, 6705/12		OMV	50 %
1257	35/4, 34/6, 34/9, 34/7		Equinor	30 %
1263	6201/12, 6202/10, 6202/11, 6202/8, 6202/7, 33/3, 34/1, 6201/9		INPEX Idemitsu	40 %
1264	6203/4, 6202/6, 6203/7, 6202/9		INPEX Idemitsu	60 %
1274	6605/4, 6605/5, 6605/6, 6605/7, 6605/8, 6605/9		OMV	20 %
1276	6706/12, 6606/2, 6606/3		OMV	50 %



## NOTE 5) Revenues and other income

AMOUNTS IN '000 NOK

REVENUES	2025	2024
Crude oil	4 056 311	5 560 264
NGL	168 907	226 762
Dry gas	1 470 692	1 720 446
Tariff income	20 573	13 690
Gain from divestment of assets	0	126 971
<b>Total</b>	<b>5 716 483</b>	<b>7 648 133</b>

All revenues are generated from the Norwegian Continental Shelf (NCS).  
The following customers accounted for more than 10 % of the sales in 2025:

- Equinor
- Shell



## NOTE 6) Operating and exploration expenses

AMOUNTS IN '000 NOK

OPERATING EXPENSES	2025	2024
Production cost	753 946	684 846
Processing cost	198 302	179 257
Transportation cost	107 117	151 643
Change in inventory and over/underlift	113 124	44 630
Other cost	1 462	1 427
<b>Total</b>	<b>1 173 952</b>	<b>1 061 804</b>

AMOUNTS IN '000 NOK

EXPLORATION EXPENSES	2025	2024
Licence exploration expense	616 532	177 622
Exploration expense outside licence accounts	284 957	465 178
<b>Total</b>	<b>901 489</b>	<b>642 800</b>



## NOTE 7) Salary costs and benefits, remuneration to the Managing Director, board, and auditor

AMOUNTS IN '000 NOK

SALARY COSTS	2025	2024
Salaries	202 722	196 990
Employment tax	31 426	39 952
Pension costs	23 527	24 000
Other benefits	10 638	9 309
<b>Total</b>	<b>268 313</b>	<b>270 251</b>

At year-end 2025, the company had 80 employees compared to 78 employees in 2024.  
The average number of full-time equivalents during 2025 was 83.1 compared to 75 in 2024.

AMOUNTS IN '000 NOK

REMUNERATION TO MANAGING DIRECTOR	2025	2024
Salaries	4 864	5 460
Other remuneration	398	1 216
<b>Total</b>	<b>5 262</b>	<b>6 675</b>





No employee has options, profit-sharings, or severance pay agreements at year-end 2025. One board member has a house loan of 2.8 million NOK and a car loan of 0.2 million NOK from the company. Apart from that, there are no loans or pledges of security to the Managing Director or board members. The amount of loan to employees was 20.6 million NOK at 31 December 2025 (31 December 2024: 20.8 million NOK).

AMOUNTS IN '000 NOK

AUDITOR FEE	2025	2024
Audit fee (EY)	1 195	1 145
Other audit related services	0	0
<b>Total</b>	<b>1 195</b>	<b>1 145</b>



## NOTE 8) Pension

IIN maintains a defined benefit group pension scheme and a supplementary top hat arrangement with DNB. Both schemes were closed to new employees with effect from 30 September 2022. As at 31 December 2025, the defined benefit scheme covered 35 local employees and 8 retirees, while the top hat arrangement covered 31 local employees and 7 retirees.

In addition, IIN operates a defined contribution pension scheme covering 26 local employees and 1 retiree.

All pension arrangements are established and administered in accordance with applicable Norwegian pension legislation and regulatory requirements. Net defined benefit pension obligations are recorded under Provisions for liabilities in the balance sheets.

The annual change in net obligation is recorded as expense under Other operating expenses in the statements of income, except Remeasurement gain/loss which is booked as Other comprehensive income. Accounting for pension cost is done in accordance with IAS 19. Pension rights for Japanese employees are covered in Japan by group companies.





AMOUNTS IN '000 NOK

	2025	2024
Service cost	23 354	22 596
Financial cost	2 655	2 376
<b>Net pension cost</b>	<b>26 008</b>	<b>24 972</b>
Remeasurement loss (gain) booked to Other comprehensive income	1 048	13 953
Estimated pension obligations	331 867	305 219
Pension plan assets (year-end value)	254 424	219 729
<b>Net pension obligation at year-end</b>	<b>77 443</b>	<b>85 490</b>
<b>Economical assumptions</b>		
Discount rate (OMF rate)	4.00 %	3.90 %
Expected compensation increase	4.00 %	4.00 %
Expected return on pension plan assets	4.00 %	3.90 %
Adjustments in National Insurance base rate	3.75 %	3.75 %
Adjustments in pensions	3.75 %	3.75 %
Adjustments in pensions >12G	2.70 %	2.40 %

The actuary calculations are based on mortality table K2013BE and disability tariff IR02.



## NOTE 9) Restricted bank deposits

AMOUNTS IN '000 NOK

	2025	2024
Withheld employee taxes	17 957	17 206
Mortgaged deposit related to Gassco bank guarantee*	50 504	50 566
Restricted deposit accounts related to office and apartment rent agreements	3 825	3 559
<b>Total</b>	<b>72 286</b>	<b>71 331</b>

\* As required by Gassco, the company has obtained a bank guarantee for the committed tariff payments in Gassled for the two coming years.

## NOTE 10) Financial items

AMOUNTS IN '000 NOK

	2025	2024
Foreign exchange gain	806 419	883 907
Interest income	30 123	29 921
Interest income from related company	279 080	414 679
Foreign exchange loss	-819 989	-953 920
Accretion expense asset retirement obligations	-98 433	-76 644
Accretion expense lease liabilities	-306	-449
Profit/loss from associated companies	-25 267	0
Other interest expense	-5 405	-4 382
<b>Total</b>	<b>166 223</b>	<b>293 112</b>



## NOTE 11) Income taxes

AMOUNTS IN '000 NOK

NET INCOME TAX	2025	2024
Current year payable taxes	1 418 158	3 321 139
Change deferred tax	307 989	246 235
Changed deferred tax charged to equity	818	10 884
Adjustments related to prior periods (payable)	-11 089	76 161
Adjustments related to prior periods (deferred)	1 389	-64 943
<b>Total</b>	<b>1 717 265</b>	<b>3 589 476</b>

AMOUNTS IN '000 NOK

RECONCILIATION OF NORWEGIAN STATUTORY TAX RATE TO EFFECTIVE TAX RATE	2025	2024
Income before tax	2 337 547	4 953 762
Calculated income tax at tax rate 78 %	1 823 380	3 864 132
<b>Tax effect of</b>		
Uplift	-11 552	-5 013
Financial items allocated onshore	-78 186	-207 330
Permanent differences	-20 935	-10 828
Change deferred tax assets not recognised	35 732	36 296
Effect of §10 transaction	-22 969	-99 042
Adjustment prior years	-9 700	11 218
Other	1 495	42
<b>Total</b>	<b>1 717 265</b>	<b>3 589 475</b>
Effective tax rate	73.5 %	72.5 %





AMOUNTS IN '000 NOK

SIGNIFICANT COMPONENTS OF DEFERRED TAX ASSETS AND LIABILITIES	2025	2024
<b>Deferred tax assets on</b>		
Lease liabilities (IFRS 16)	5 596	9 301
Asset retirement obligations	3 475 056	1 754 371
Pension liabilities	60 409	66 685
Open foreign exchange contacts	2 023	56 288
Others	35	41
<b>Total deferred tax assets</b>	<b>3 543 119</b>	<b>1 886 687</b>
<b>Deferred tax liabilities on</b>		
Property, plant and equipment (PP&E)	-3 417 922	-1 333 676
Adjustment PP&E related to special tax	-2 536 289	-1 192 999
Right-of-use assets	-6 412	-9 617
Capitalised exploration wells	-924 231	-894 207
Inventories	-10 622	-17 066
Other	-3 364	0
<b>Total deferred tax liabilities</b>	<b>-6 898 840</b>	<b>-3 447 565</b>
<b>Net deferred tax liabilities</b>	<b>-3 355 721</b>	<b>-1 560 879</b>


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AMOUNTS IN '000 NOK

RECONCILIATION OF PAYABLE (-RECEIVABLE) TAX 31.12	2025	2024
Payable/(-receivable) tax for the income year	1 418 158	3 321 139
Tax payable posted directly in the balance sheet	-495 304	7 273
Payable/(-receivable) tax prior years	11 232	0
Withholding tax receivable	-24 425	-29 146
Received/(-paid) installment tax	-870 486	-1 481 869
<b>Total</b>	<b>39 175</b>	<b>1 817 397</b>

The company has one project, Valhall PWP, included in the temporary regime related to depreciation and uplift. All investments for this project in the income year have an uplift that can be deducted for special tax in the year of investment. The uplift rate was 12.4 % in 2025.



**NOTE 12) Property, plant, and equipment**

AMOUNTS IN '000 NOK

	PRODUCTION FACILITIES IN OPERATION	PRODUCTION FACILITIES UNDER DEVELOPMENT	FURNITURE, OFFICE EQUIPMENT	TOTAL
Carrying amount at 1 January 2024	5 076 745	0	23 786	5 100 532
Derecognition of sold assets	-189 937			
Additions 2024	480 426	0	4 033	484 459
Depreciation 2024	-935 972		-4 154	-940 126
Excluding decommissioning booked as PP&E	-230 878			-230 878
Depletion Right-of-use asset 2024			-4 110	-4 110
Disposal	0		0	0
Change in decommissioning obligation booked as depreciation	-45 609			-45 609
<b>Carrying amount 31/12/2024</b>	<b>4 154 775</b>	<b>0</b>	<b>19 556</b>	<b>4 174 331</b>
Additions 2025	1 032 372	276 159	2 968	1 311 499
Transfer from Capitalised exploration wells 2025		95 154		
Transfer between PP&E categories	-20 427	20 427		
Additions Business combination	4 111 711			4 111 711
Depreciation 2025	-1 125 043		-4 386	-1 129 430
Excluding decommissioning booked as PP&E	43 028			43 028
Depletion Right-of-use asset 2025	0		-4 110	-4 110
Change in decommissioning obligation booked as depreciation	-11 678			-11 678
<b>Carrying amount 31/12/2025</b>	<b>8 184 738</b>	<b>391 739</b>	<b>14 029</b>	<b>8 590 506</b>





	PRODUCTION FACILITIES IN OPERATION	PRODUCTION FACILITIES UNDER DEVELOPMENT	FURNITURE, OFFICE EQUIPMENT	TOTAL
Acquisition cost	32 228 047	391 739	106 098	32 725 884
Accumulated depreciation 31/12/2025	-24 043 309	0	-92 069	-24 135 378
Accumulated impairment loss 31/12/2025	-262 000	0	0	-262 000

Additions from business combination is the addition of Valhall and Hod, see note 3.

Production facilities in operation are subject to Unit-of-Production (U.O.P.) depreciation. Production facilities under development are not depreciated before production commences. Furniture and office equipment are depreciated according to the linear method, according to their useful lives (3 or 5 years).



**NOTE 13) Intangible assets**

AMOUNTS IN '000 NOK

	CAPITALISED EXPLORATION WELLS	GOODWILL	TOTAL
Carrying amount at 01/01/2024	748 302	0	748 302
Additions 2024	413 639	0	413 639
Expensed/impaired exploration wells	-15 580	0	-15 580
<b>Carrying amount 31/12/2024</b>	<b>1 146 361</b>	<b>0</b>	<b>1 146 361</b>
Additions 2025	463 847	1 515 391	1 979 239
Transfer to development asset	-95 154		-95 154
Expensed/impaired exploration wells	-330 203		-330 203
<b>Carrying amount 31/12/2025</b>	<b>1 184 851</b>	<b>1 515 391</b>	<b>2 700 242</b>

Capitalised exploration wells are transferred to Production facilities under development when a development of the discovery has been sanctioned.



## NOTE 14) Impairments

Impairment tests of individual cash-generating units are performed when impairment triggers are identified. It was concluded that no impairment was required for 2025. In the assessment of whether an impairment is required

31 December 2025, IIN has used the below average of oil price forecasts, a future cost inflation rate of 2 % per annum and a discount rate of 8 %, to calculate the future post-tax cash flow.

YEAR	CRUDE OIL PRICE (USD/BBL)
2026	60
2027	65
2028	70
2029	CPI adjustment

For dry gas, the forward prices as of 31.12.25 have been used.

### Impairment testing of Goodwill

All goodwill recognised is related to the business combination completed on 31 October 2025. Goodwill is allocated to the Company's Valhall cash-generating unit (CGU), which represents the lowest level at which goodwill is monitored for internal

management purposes. As of 31 December 2025, the carrying amount of goodwill allocated to this CGU amounted to 1 515 million NOK. Out of this, 1 484 million NOK is technical goodwill attributable to the difference between the acquisition





cost and the tax depreciation base transferred from the seller. Remaining 30 million NOK is related to ordinary goodwill.

In accordance with IAS 36, goodwill must be tested for impairment annually, or more frequently if indicators of impairment arise. As the business combination was finalised late in the financial year, management has assessed whether any events or changes in circumstances have occurred between the valuation date (31 October 2025) and year-end that would indicate a potential impairment of goodwill.

#### **Determination of recoverable amount**

The recoverable amount of the cash-generating unit (CGU) continues to be determined based on value-in-use calculations. These calculations rely on cash flow projections grounded in

budgets approved by the Board of Directors and long-term assumptions derived from operator forecasts, including figures from the Revised National Budget. No adverse developments or changes in assumptions have occurred during the period from the valuation date to 31 December 2025. Given the short interval between recognition and year-end, and the absence of negative change in assumptions, no impairment is identified at year-end.

Accordingly, the fair value recognised at completion is still considered to approximately equal to the carrying amount of the CGU, hence no impairment has been recognised.

#### **Technical goodwill**

The majority of the goodwill relates to deferred tax liabilities recognised on acquired assets in connection with the business combination. As the related

deferred tax liabilities unwind over time, the portion of goodwill subject to impairment testing increases. This effect, will probably result in impairment charges going forward.



## **NOTE 15) Short-term receivables and other current debt**

Accounts receivable is recorded at nominal value, without any accrual for losses. All the company's customers are large, international oil companies.

Other short-term receivables consist mainly of overcall, joint venture receivables, prepaid expenses and other receivables related to IIN's joint venture licences. Other current debt consists mainly of undercall, joint venture payables, and accruals and other payables related to IIN's joint venture licences.



## NOTE 16) Equity and shareholders

AMOUNTS IN '000 NOK

	SHARE CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
Equity 01/01/2025	727 900	6 656 107	7 384 007
Profit 2025		620 282	620 282
Extraordinary dividend 2025		-613 500	-613 500
Remeasurement gain/loss booked to equity (pension)		-231	-231
<b>Equity 31/12/2025</b>	<b>727 900</b>	<b>6 662 659</b>	<b>7 390 559</b>
Remeasurement loss 2025 (Pension)			-1 048
Booked to equity			-231
Booked to deferred tax			-818
Accumulated remeasurement loss (-gain) booked to equity (post tax)			11 820

The share capital consists of 7 279 shares of NOK 100 000, all fully paid. All shares are owned by INPEX Norway Co. Ltd., in Japan (former Idemitsu Snorre Oil Development Co. Ltd.). Group accounts for 2025 are prepared by the ultimate parent company INPEX Corporation and are available at [www.inpex.co.jp](http://www.inpex.co.jp). The ultimate parent company is located in Tokyo, Japan.



## NOTE 17) Asset retirement obligations

The Norwegian government may, at the termination of production or expiration of a licence, require IIN to remove offshore installations. With current and expected future fishery and environmental concerns, it is likely that the Norwegian government or international institutions and legislation will require the installations to be removed. It is also necessary to close down all production and injection wells as their use is completed. Furthermore, IIN is required to cover its share of removal of Gassled pipelines and installations.

Abandonment and decommissioning obligations are recorded at net present value. Reference is made to Accounting Principles.

AMOUNTS IN '000 NOK

	2025	2024
Asset retirement obligation 01/01	2 312 294	2 804 575
Recognition due to business combination	2 118 802	0
Change of estimate	337 084	26 122
Effect of change in risk free interest rate	-305 719	-302 609
Actual decommissioning expenditure	-72 121	-195 999
Interest effect on the NPV obligation	98 433	76 644
Derecognition due to divestment of assets	0	-96 439
<b>Asset retirement obligations 31/12</b>	<b>4 488 772</b>	<b>2 312 294</b>





In the calculation of net present value at year-end 2025, an inflation rate of 2 % and a discount rate of 4.2 % have been used. For the Knarr field the obligation has not been discounted. At year-end 2024, the discount rate was 3.9 %. 197.4 million NOK of the liability is short-term at year-end 2025 (92.6 million NOK at year-end 2024).

The discount rate is a risk-free rate based on the NOK currency and time horizon of the individual oil and gas fields.

IIN obtains abandonment and decommissioning cost estimates from the operators. The estimates are reviewed by IIN's own technical staff. The removal estimates are based upon complete removal and onshore disposal of any installations not below the seabed. Pipelines will be cleaned and left buried. Well closure cost includes cleaning wells and installing cement plugs in the permeable zones and upper part of the well.



## NOTE 18) Reserves (unaudited)

The reserve numbers shown below are the estimated total producible remaining reserves in the currently producing and developing fields.

The estimates represent the company's share of proved and probable reserves

(P50). Estimates of proved and probable reserve quantities are uncertain and change over time as new information becomes available. Contingent resources that may become proved in the future are excluded from the reserve numbers in the table below.

PROVED AND PROBABLE RESERVES	MILL BBLs OF OIL EQUIVALENTS (MMBOE)
Reserves at 01/01/2025	70.2
Revision of previous estimates	-5.7
Discoveries, additions, and extensions	46.0
Year 2025 production	-9.9
<b>Reserves at 31/12/2025</b>	<b>100.6</b>

IIN accounts only for reserves of crude oil in the Tampen fields, where reserves of NGL and dry gas have very little net economic value for the company. In the other fields the natural gas liquids and dry gas are included.

Reserves increased and this was mainly due to Fram Sør project passing DG3 in June 2025 which increased the Fram reserves with 17.4 mmboe. In addition, the Valhall and Hod assets were acquired from Pandion Energy, increasing IIN reserves with 23.8 mmboe.

Following the final redetermination on Vega Unit, volumes are being redelivered from the PL 090 C owners. Such redelivery of volumes is accounted for at the time of redelivery and not accrued for in advance.



## NOTE 19) Leasing

The incremental borrowing rate applied in discounting of the nominal lease liability is 3.20 %. Reference is made to Accounting principles.

AMOUNTS IN MILLION NOK

	2025	2024
<b>Lease liability 1 January</b>	<b>11 924</b>	<b>16 403</b>
Interest expense on lease liability	306	449
Payments of lease debt (cash outflow)	-5 056	-4 928
<b>Lease liability 31 December</b>	<b>7 174</b>	<b>11 924</b>
Carrying amount of Right-of-use assets 31 December	8 220	12 329

The company has one leasing agreement which is deemed to be within the scope of IFRS 16 in 2025:

LEASE OBJECT	LICENCE
1 Office building	-

The company has no variable lease payments within the scope of IFRS 16 or short-term leases below 1 year. The expense relating to leases of low-value assets is negligible. The identified leases have no significant

impact on the company's financing or dividend policy. The company does not have any residual value guarantees. Extension options are included in the lease liability when, based on management's judgement, it is reasonably

certain that an extension will be exercised. No extension options are currently included in the leases.



## NOTE 20) Other liabilities and commitments

IIN, as all other oil companies operating on the Norwegian Continental Shelf, has unlimited liability for possible compensation claims arising from its offshore operations, including pollution. To cover these liabilities, IIN has obtained insurance covering such liabilities up to 150 million USD for 100 % share. The deductible is 10 million USD. Liabilities arising from well blow-outs are covered up to 270 million USD for a 100 % share. For Valhall and Hod, well blow-out liabilities are insured up to 750 million USD for a 100 % ownership share. In case that liabilities arising from well blow-outs of which the water depth is more than 3,000 ft or located in the Barents Sea, those are covered up to 400 million USD for a 100 % share, with a deductible of 10 million USD.

Offshore assets are insured at replacement value with third party insurance companies.

Through its licence ownership interests, IIN has certain obligations for future investments and drilling activities. Total committed investment for exploration well drilling was 557 million NOK (IIN share) at 31 December 2025, related to

exploration wells in PL 057, PL 090, PL 1153, PL 636, PL 119 and PL 090HS. Furthermore, IIN has committed to investment in certain development projects.

Below is listed the remaining investment commitment (IIN share) in each project as of 31 December 2025 (amounts in million NOK):

Valhall PWP development project	1 589
Fram Sør development project	3 167
<b>Total</b>	<b>4 756</b>





There are also substantial investments planned in fields where PDOs are not yet submitted or approved by the government, and production well drilling is planned in various producing fields.

IIN is committed to certain dry gas delivery, transportation, and processing obligations as an integral part of the licence activity. These obligations are not in excess of planned future production.

The company has provided a standard parent company guarantee to the Ministry of Energy, to guarantee fulfilment of obligations undertaken by the licensee towards the State or Norwegian public institutions, and for the licensee's other possible liabilities in connection with petroleum activities.

As part of the divestment of Statfjord Øst and Sygna assets in 2023, a deferred consideration equivalent to

total 19 million NOK was received in 2023 and 2024. The consideration may be repaid to the buyer if subsidiary responsibility according to the Petroleum Tax Act section 5-3 does not come into realisation. The consideration is recorded as a liability.

## NOTE 21) Transactions with group companies

IIN has 2 570 million NOK in term deposits and 417 million NOK in overnight deposits in INPEX Financial Services Singapore (IFSS) at 31 December 2025. The deposits are included in the cash pooling arrangement of the INPEX group.

Interest terms on the term deposits are Treasure Bill Rate + spread. Other transactions with group companies are negligible.



## NOTE 22) R&D

AMOUNTS IN '000 NOK

	2025	2024
R&D expense	1 088	821

The R&D activity consists mainly of participation in common industry projects. IIN will also pay R&D charged to the partner-operated licences under the sliding scale rules by other operators.

## NOTE 23) Inventory

AMOUNTS IN '000 NOK

	2025	2024
Underlift	109 781	14 366
Spare parts and other stock items	260 227	91 443
<b>Total</b>	<b>370 007</b>	<b>105 809</b>



## NOTE 24) Subsidiaries, associated companies etc.

	OFFICE	ACQUISITION REGISTERED	OWNERSHIP INTEREST	VOTING INTEREST	BOOK VALUE
Trudvang CCS Ans	Sandnes	28/02/2025	30 %	30 %	266 588
<b>Total</b>					<b>266 588</b>

Investments in subsidiaries are recognised according to the cost method in the company's financial statements. Associates are recognised according to the equity method in the company's financial statements.

At each reporting date, IIN determines whether there is objective evidence that the investment in the associated company is impaired. If there is such evidence, IIN calculates the amount of impairment as the difference between the recoverable amount of the associated company and the carrying value and then recognises the loss in "Financial expenses" in the Statements of Revenue.

At the reporting date IIN has not identified any objective evidence that the investment should be impaired. It was concluded that no impairment test was required at the reporting date.

The investment is accounted for using the equity method in accordance with IAS 28.



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To the General Meeting in Inpex Idemitsu Norge AS

## Independent auditor's report

### Opinion

We have audited the financial statements of Inpex Idemitsu Norge AS (the Company), which comprise the balance sheet as at 31 December 2025, the income statement, statement of comprehensive income and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company 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 and the other information presented with the financial statements. The other information comprises the report on payments to governments. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. 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

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- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the report on payments to governments.

### Responsibilities of management for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's 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 skepticism 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.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Oslo, 13 March 2025  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Jon-Michael Grefserød  
State Authorised Public Accountant (Norway)

Arneis@accounting.eyg 0717552100X-ULSLS-6F7DE-1A1A1D9-8850U

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